

ORAL HISTORY INTERVIEWS

LAWRENCE HANCOCK



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Statement of Donation

STATEMENT OF DONATION OF ORAL HISTORY INTERVIEWS OF LAWRENCE F. HANCOCK

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, Lawrence F. Hancock, (hereinafter referred to as "the Donor"), of Boulder City, Nevada, 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 interviews conducted on September 8 and October 25, 1993, February 21 and February 23, 1995, May 31, 1996, and during the week of January 13, 1997, at the offices of the Bureau of Reclamation in the Main Interior Building in Washington, D.C., and other locations, and prepared for deposit with the National Archives and Records Administration in the following format: cassette tape recordings and transcripts. This donation includes, but is not limited to, all copyright interests I now possess in the Donated Materials.
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Lawrence F. Hancock

INTERVIEWER: _____
Brit Allan Storey

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Editorial Convention

A note on editorial conventions. In the text of these interviews, information in parentheses, (), is actually on the tape. Information in brackets, [], has been added to the tape either by the editor to clarify meaning or at the request of the interviewee in order to correct, enlarge, or clarify the interview as it was originally spoken. Words have sometimes been struck out by editor or interviewee 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 also 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.

While we attempt to conform to most standard academic rules of usage (see *The Chicago Manual of Style*), we do not conform to those standards in this interview for individual's titles which then would only be capitalized in the text when they are specifically used as a title connected to a name, e.g., "Secretary of the Interior Gale Norton" as opposed to "Gale Norton, the secretary of the interior;" or "Commissioner John Keys" as opposed to "the commissioner, who was John Keys at the time." The convention in the Federal government is to capitalize titles always. Likewise formal titles of acts and offices are capitalized but abbreviated usages are not, e.g., Division of Planning as opposed to "planning;" the Reclamation Projects Authorization and Adjustment Act of 1992, as opposed to "the 1992 act."

The convention with acronyms is that if they are pronounced as a word then they are treated as if they are a word. If they are spelled out by the speaker then they have a hyphen between each letter. An example is the Agency for International Development's acronym: said as a word, it appears as AID but spelled out it appears as A-I-D; another example is the acronym for State Historic Preservation Officer: SHPO when said as a word, but S-H-P-O when spelled out.

Introduction

In 1988, Reclamation began to create a history program. While headquartered in Denver, the history program was developed as a bureau-wide program.

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); making the preserved data available to researchers inside and outside Reclamation.

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For additional information about Reclamation's history program see:

www.usbr.gov/history

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Oral History Interviews Lawrence Hancock

Storey: This is Brit Allan Storey, senior historian of the Bureau of Reclamation, interviewing Principal Deputy Commissioner Lawrence Hancock in the offices of the Bureau of Reclamation, on the seventh floor of the Main Interior Building, in Washington, D.C., at two o'clock on September 8, 1993.

Storey: Well, Mr. Hancock, I'd appreciate it if you'd tell me about where you were born, your early life, your education, and how you came to come to the Bureau of Reclamation.

Early Life

Hancock: Okay, I was born in Roanoke, Virginia, in the late 1930s. I was the son of Alexander and Maggie Hancock. They had five kids, and I was the youngest of the five kids. I attended high school at the Lucy Addison High School in Roanoke, Virginia, which has subsequently been changed to a middle school. And since they do not have any more names of high schools in the South—at least in Virginia—after famous black people. All the schools don't have those names, and the school was named after Lucy Addison, who was an educator in Roanoke, Virginia.

I went to college first at Norfolk State College, which at that time was Virginia State, called Division of Virginia State College. After spending a year-and-a-half there, I attended Howard University and graduated in 1962 with a degree in civil engineering. That was during the Kennedy presidency, and Kennedy had a very active program headed toward recruiting minorities into the Federal Government. I agreed to take an assignment with the Bureau of Reclamation in Sacramento, California. So on July 5, 1962, I was in Sacramento on a nice hot summer day, about a hundred and ten degrees, I think, when I hit the runway in Sacramento. So I started my career with the Bureau of Reclamation in Sacramento.

Basically, I've been with the Bureau thirty-one years, shortly, up until the present. That's kind of a very short capsule of my life.

Storey: The recruitment process for your coming into the Federal Government: did Reclamation or Interior or somebody have recruiters at Howard, for instance?

Hancock: No, it was kind of a nationwide search for . . . And they sent out just fliers, so to speak, to the various universities. And I saw one and submitted an application and was selected.

Storey: And was an application, for instance, for civil engineers in the Federal Government? Back in those days, you didn't apply directly to the agencies, I think.

Hancock: I think under this particular program, no. It *was* for the agencies, when Kennedy—Reclamation *was* recruiting and it *was* an application to the Bureau of Reclamation.

Storey: Okay.

Rotational Engineering Program

Hancock: So it *was* specifically for, and at that time it was a rotational engineering program which was in place. I think we still have some people on rotation, so it was not specifically for a civil engineer, it was just basically for rotational engineer, and after twelve months, pretty close to that then we would be offered a permanent job.

Storey: And what does being a "rotational engineer" mean and involve?

Hancock: Well, being a rotational engineer means that you work with your mentor, or at that time your—I think it was mentor or sponsor—and worked up a developmental program that could take anywhere from twelve months to eighteen months for you to complete, where you would get supposedly a broad range of experience in the various engineering disciplines that Reclamation was offering at that particular time. I remember I had an assignment in the design area in Sacramento. I worked in construction out in one of the project offices. I worked in the operation and maintenance [O&M] portion of the organization, and a few other assignments as I went around to try to get . . . What it does, what it's supposed . . . The program—and it really works, it worked at that time. It really gives you a *broad* perspective of the kind of work that Reclamation does, so that when you select your first *permanent* job, you can select the kind of work that *you* think that most interests *you*, and what you can make, make it the best contribution to Reclamation. So I could have selected to go into construction, or I could have selected to go into design, based on a three-to four-month rotational experience in those organizations.

Storey: And what did you choose to go into?

Hancock: I selected to go into operation and maintenance.

Storey: Really! Why?

Hancock: Probably because I never liked sitting at a drafting board all day and doing designs, was the reason I elected not to do designs. Construction, for a new engineer, you really have to start at the bottom and really looking at drawings and inspecting work that other people have done. And the reason I selected O&M, because O&M was the area that *I* felt that I could go in right away with one year of experience, and actually get some assignments where I could kind of take the lead on, and see them completed in a very short period of time; because at that time we were looking at problems that we're having with bad facilities, and recommending corrective action for those problems. Well, if they adopted your recommended corrective action and it *worked*, then you got some immediate gratification out of that whole process. Design work, you complete a design, but you never may see it constructed, and any construction site, you may start on a construction project but never ever see the project actually completed construction. You may move somewhere else before it actually gets completed in Reclamation.

So I took the area where we were dealing with either problems that were either caused by poor designs or poor construction, or problems that just weren't anticipated at the time of design and construction, and we were correcting those activities. So it was pretty rewarding, and you could get the jobs completed pretty rapidly.

Storey: I've noticed in doing historical research on Reclamation projects that there are often those kinds of judgmental errors made, and so on that you've just been talking about, in terms of designing new projects. Have you developed any perspectives on that over the years? You know, I'm not an engineer, so people tend to think of engineers as "you do once and it's right and you go away and the problem is solved." And I'm getting a very different image of what happens, as I look at the histories of the projects around Reclamation.

Engineering is Not Exact

Hancock: Absolutely, you don't do engineering once and you do it right, unless there is an *awful* lot of good communication and a lot of previous experience with doing it. If you're doing something for the first time, or doing something with a new twist to an old way, there's probably going to be some ways after it's constructed and built that you could have thought of improving that whole process. Probably the best example of activities that can be fouled up, is that you may be designing a power plant or pumping plant, and one engineer may be designing the facility, the building that's going to house that. Another engineer may be designing the pumps or the generators that you're going to put into that. And when you put it all together, they may not have considered how you were going to get these generators or pumps apart to do maintenance on them. And a common problem is, and sometimes it goes all the way to construction—you don't even find out about it until you actually have to go in and maintain the facility, that you can't get people and equipment in there in the facility to maintain the device. So either you have to expand the device or come up with a different placement of the equipment in order to be able to get in and maintain the equipment.

That's a common design and construction flaw that happens, because the designer designs it, and the people who construct it put it in place, and then never having to maintain it themselves. So a maintenance engineer comes in and says, "I don't know what idiot designed this facility, but I can't get . . ." Use the example on a car, "I can't get my filter off this car to change the filter. When I take it or loosen it, it hits the side panel and it won't drop out of the car. How am I supposed to get this filter replaced?" So you end up having to cut a whole in the . . . the maintenance people end up having to cut a whole in the inside of the fender in order to get the filter off the car to replace the filter. Common design and construction errors that take place in the whole process.

The one that *probably* the American public knows the most about is the air bags. The fellow who invented the air bags and installed them in the car for safety devices, when they first started putting those devices in there, someone could kick the bumper and the bag would inflate. Well, that was very expensive to replace those bags and put them back in. Well, he tested it in a laboratory and designed it and

thought that it would take a certain amount of impact to have the bag ejected, and then when he got it in the field, it didn't. So they had to go back in and retest and retest to make sure that the impact was of such a significant force that it warranted the air bag to inflate.

So a lot of the activities that you're doing, you just don't know how they're going to react in the actual placement until after you've actually put them into place. We had several examples in California when we were working in that. You design a canal, for example, and you use a particular coefficient of resistance which tells you in using that and the parameters of the canal you can determine about how much water will flow through that canal. Well, if the construction people don't use the right materials, or if the materials are a little rougher than what the coefficient, you could lose capacity. The canal is designed for 1,000 c-f-s [cubic feet per second], maybe you're only getting eight hundred c-f-s in through the canal. You *can* only get eight hundred c-f-s. Well, see then you have to go in and try to figure out, well, how can I get the additional two hundred c-f-s in the canal that it was supposed to be designed for? Most engineers over design a little bit anyway, so that example probably wouldn't be very accurate, because you could probably get—if it was 4,000 they'd probably say, "Well, let's design it for 1,500 and we've got a little bit of capacity for it to grow. But still, if it grows faster than what you anticipate, you're still back where you don't have a canal that will meet with the requirements or demands are for that canal. So those are some of the kinds of activities that you get into.

Storey: Are there other examples like that from your O&M experience in those early days? Things with power plants, gates, locks?

Operations and Maintenance

Hancock: Gates and locks and needle valves that cavitation occurs in a lot rapider than what you would expect that you have to go out and take plastic moldings of and figure out what's causing . . . Is it the velocity of the water, or is it just the head that the water is coming out of the dam on? Gates or valves that may have been dangerous for people to work around because they didn't anticipate the kinds of forces and pressures that it would be under. Bridges that were installed over canals, along right-of-ways, where the farmer may have said that he was only going to move a pickup across, but after the bridge was in decided he was going to move his much larger vehicle, and much wider vehicle with hay bales or something on it that you'd have to go in and reinforce the bridge and make it safe. So all of it wasn't necessarily design error. Some of it was just improper information that was provided at the time that it was done.

Probably the one that was kind of the most (sound of aircraft passing overhead) I remember I guess the greatest was that we had some transmission lines in California when I started out. *Large* transmission lines that were going across a river, and they couldn't keep the members, the towers, the members kept breaking in the towers. And they were having to send crews out all the time to take the members out and replace the members. And they wanted to know what could they do to try to stop the members from breaking in the towers and having to send crews out all the time because they were afraid if too many of their members broke, that the tower may fail.

And we came up with the idea that there was only really two ways to stop the members from breaking: one was, you substantially increase the size of the members or you shorten the span of each member in the tower. So we did design some and added some additional members to the towers and it stopped. What was happening was that these two towers were close to an area where the wind velocity got pretty extreme and no one had figured that out. And so the wind velocity was causing the members to reach what they called "resonance frequency," or natural frequency, and they wouldn't stop vibrating. So they'd just keep vibrating until they fatigued themselves and they would pop. And so you either had to go in and shorten the span or increase the size of the members and replace them. And we worked that problem out and stopped having to send crews out to replace members.

Storey: Do you remember any other projects, particularly from those days?

Hancock: Not in the operation and maintenance area. Most of those areas were trying to go in and put in measuring devices and turn outs along the river in California, because we wanted a way of actually monitoring how much water a particular farmer or a particular district was diverting from the river, and trying to find a lot of those locations along the Sacramento River and other areas that were kind of difficult, and then trying to . . . like the type of metering device that you're going to put in to try to monitor, to be able to read the kind of work that we were doing. But that was the most of it.

And the other one was trying to look at ways to reduce—and we're still looking at this today—reduce or eliminate seepage loss from canals. A lot of the losses were occurring out of the lining of the canals. In those days it wasn't being done because you wanted to have more efficiency or more water available for other uses. In those days you were looking at it because it was sometime causing damage to surrounding property. A fellow had an orchard close a canal system and it was leaking substantially. You could drown his trees. And then the Federal Government was getting sued for damages over and over again, every time they have to go out and replant his trees or whatever.

So generally, activity . . . But the work was very . . . Had a large variety of work in carrying out that process. Never was bored, and it was very interesting activity in the operation and maintenance area. So it was very enjoyable—an area that I stayed in for a considerable portion of my career.

Storey: How long is "a considerable portion" of your career?

Hancock: Oh, let's see, probably about a third or ten years.

Storey: So you were there until maybe '73 or so?

Operations Office

Hancock: Well, in and out of there. I went in and out of Operation and Maintenance. And then I went strictly to the Operations side. It was kind of an interesting . . . Because I

actually feel like I worked in a project office within a regional office. Sacramento was set up where they had like a 400 Shop, which the Operation and Maintenance shop, but also they had a Central Valley Operations Office. That's where I went from the O&M Office—I went to the Operations Office. So I kind of got out of the maintenance and went to the operations side, which was kind of an interesting experience as well. And I guess *between* those, I went into the data processing side. So when I went to school, we didn't use a whole lot of computers, we used slide rules more than anything else—slide rules and calculators. So I did go back to school at night and took several computer courses while I was living in Sacramento, and was able to get a job in the computer field, first, and spent, oh, maybe three or four years in the computer field, and then went into the operations area.

Operations area was also another, I think, interesting office to be in.

Storey: What did you do in the computer area?

Working in the Computer Area

Hancock: Oh, primarily developed a computer applications for engineering solutions to problems. Everything from computing the volume that needed to be excavated and where to put a canal in, and then monitoring it, which in also then monitoring what the contractor actually excavated so you could compute pay quantities so you could pay the contractor based on the computer run of cut and fill that they may be doing. Developed hydrological models, operational models . . . In fact, that's how I got into Operations—I started developing an operational model *for* them, and they decided that they needed me over there to complete the model. So I went over there and started doing some modeling.

Probably the first optimization modeling that Reclamation got into. We had a fellow at that time who was head of the operation, his name was Jake Osofsky who was head of the Central Valley Operation Office, who wanted to see if they could optimize the operations of the Central Valley Project [CVP]. So he established a small group of us to look at ways that we could develop computer models that would assist the operating staff at operating the facility more effectively and efficiently. That's kind of interesting that we were doing that in the early 70s, and now that's what we're saying we want to do again. That we would like to operate our facilities more efficiently and effectively so we can have more water for urban and domestic and environmental purposes, rather than for irrigation, so we don't have to take from the farmers to give to those other uses. We can actually *conserve* and use the conserved water for those uses.

Well, we were looking for that in those days, but we weren't looking at it so much from conserving water as we were from trying to satisfy all of the different beneficial uses that were even going on in *that* day in the Central Valley Project. And also looking at the kind of "cash cow" that power revenues and seeing if we could get any additional revenues. I know we figured a one percent increase in the power generation would generate another two million dollars annually into the [U.S.] Treasury. So we thought it was worth trying to get the system a little more efficient,

-
- even if it was only one percent, that it would be a substantial bonus to the Treasury over a thirty- or fifty-year time frame. So that's kind of how I got into the operations side of the house.
- Storey: What position did you have that . . . You were an engineer in the O&M on the staff, then you went into the computer area.
- Hancock: And I'm still classified as in the . . . Let me see, in O&M I was classified as a hydraulic engineer, and I went into the computer side and I was classified as a civil engineer. And then when I went to the operations, I was reclassified as a hydraulic engineer, doing the modeling activity.
- Storey: And were any of these supervisory positions then?
- Hancock: Ah, the last one was a supervisory. It had a small group working for me trying to develop those models—maybe three or five people, generally.
- Storey: And how long were you in Operations?
- Hancock: Gee! (pause)
- Storey: At Mid-Pacific, huh?
- Hancock: I was probably in Operations, oh, three to five years. No, it was closer to five years that I was in Operations. Then I went back to Data Processing.
- Storey: Back to Data Processing?
- Hancock: I went back as the Division Chief of Data Processing, yes.
- Storey: Any projects that stick out in your mind while you were in Operations, besides the one you've already mentioned?

Developing Operation Models

- Hancock: That was really the only project that I had. It was a project office that was established to develop these models. And when the models were developed, we were going to turn them over to the operators, and that office would be abolished. We were supposed to develop a monthly operational model, a daily operational model, and an hourly model. I think we projected that it would take five to seven years to develop all three. We developed the monthly model and before I left we got started on the daily model. Never got to the hourly one. But then the daily one, when I left California and went to Denver in '76—because the drought came in '77, yes—I got a call in Denver in '77 from a fellow by the name of Dave Schuster [phonetic spelling], who was the Operations Manager. And he said, "We can't get your models to run. The water conditions out here are so much different than the models anticipated, these models won't process and we *desperately* need these models during the drought. Can you help us?" I said, "No, I've got a full-time job." He said, "Well, can you provide

some assistance to our people now how we can get these models to run, because they'll be very helpful. And I said, "Well, let me go back and look at the documentation of the models and get back to you."

So I did, I went back and looked at it, called him back and I said, "Ah, you're probably not going to be able to get those models to run again until the drought's over or you put somebody on it for about a couple of months full-time, and the drought will probably be over by the time you get the models changed." And he said, "Well what's the problem?" I said, "Well, when we were developing the models, you had selected two people, myself and Dan Fults¹ who was helping me at the time—one of the staff people—to develop these models, who had had no operational experience on the Central Valley Project. And so all the constraints that we put in the models, we went to the operators and asked *them* to provide us with the appropriate constraints to put in the model." And we had put in, and I said, "I remember one that we had put in the physical limits of the facilities as a constraint." In other words, we had taken whatever the minimum pool was in the reservoir, and put that in, and then the maximum elevation, and put it in as the two lowest points in the reservoir that we thought the reservoir would ever go to. And I said, "We'd gone all the way down where you couldn't get any more water through the penstocks, or out of the outlet works. We felt that was appropriate.

And the operators told us we were stupid. Said all we were doing was using computer time. Said those reservoirs would *never* get that low. "Why don't you bring that minimum up? Because here's that normal operating range. Give us ten feet below the normal operating range, and that's enough flexibility for the model to have." I said, "So what you need to do is, to get someone to go in to that system and go to every reservoir and change all of those constraints that the operators told us to put in those models, to the *physical* constraints that we wanted to put in to begin with, then the model will run during drought, floods, any other time." He said, "Oh! Is that what happened?" I said, "Yes, they told us this would never happen. Now it's happening!" (laughs) So you really need to go in and change those conditions. It wasn't any more difficult for us to *model*, but it did take more time on the computer because you had a lot of band that the computer had to search in to find out what was the best way to operate the facilities. And I don't know, C-V-P had fourteen reservoirs in it, so I said, "There's no way you're going to get that done in terms of the drought."

So they put the models on the shelves and I don't think they've ever been used since. So the 1977 drought, we spent five years developing models and they were put on the shelves and they've never been used a day since the 1977 drought.

Storey: That's too bad.

Hancock: So that was kind of the one project. So I started out my supervisory career in a kind

1. Mr. Fults participated in Reclamation's oral history program, for more information, see Dan Fults, *Oral History Interviews*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, on November 17, 1993 and August 30, 1994, in Sacramento, California, edited and desktop published by Andrew H. Gahan, 2014, www.usbr.gov/history/oralhist.html.

of a unique and good position. Most supervisors don't get that kind of single purpose supervision, and I think that was very helpful that I didn't have to worry about a variety of different assignments, I didn't have to . . .

END SIDE 1, TAPE 1. SEPTEMBER 8, 1993.

BEGIN SIDE 2, TAPE 1. SEPTEMBER 8, 1993.

Hancock: You might have some job coming in that may be considered a higher priority than anything else, and so you're trying to figure out whether you've got enough resources to accommodate all the work. Since we only had one project, it was real easy to set the priority. The priority was to get that job completed within budget and within the time frame that we had estimated that it would cost. And then it was just a matter of logically splitting up the work so that when you got to assign it—when you got the products from everybody that was working on it, that you could put it together in an entire package. So it developed some pretty good teamwork in that whole process, and also developed, I think, some pretty good skills with the people that were participating in this whole project. It's almost like a little NASA [National Aeronautics and Space Administration] project within Reclamation. Out of that, I think we published four or five papers that were presented all over the world in terms of the techniques that we were using, because we were one of the first . . . We were actually probably *the* first to apply in a real time, real operational system, what they were called "dynamic programming" at that time, which was an optimization technique.²

And in fact, some of the people at U-C-L-A [University of California, Los Angeles] wrote some papers on that whole process, because we actually detected some limitations to the theory that was in the textbooks, that some of the theory that they had developed, did not work in all practical situations. We said that the whole theory was wrong. But then later as we got through the whole process, we found out that the theory wasn't wrong, but the theory didn't work for every circumstances that you wanted to apply, so you had to not only adjust the theory, but adjust your implementation of the theory for your specific circumstances. And it was a very tricky process that we went through in the whole dynamic kind of programming process.

Storey: How many people were on this team that was doing the modeling project?

Hancock: It ranged, including myself, from three to five people.

Storey: For five years?

Hancock: Yeah.

Storey: And were they all computer programmers?

2. Dan M. Fults, Lawrence F. Hancock, and Glen R. Logan, *A Practical Monthly Optimum Operations Model* (Sacramento: U.S. Department of the Interior, Bureau of Reclamation, 197?); Dan M. Fults and Lawrence F. Hancock, *Water Resources Optimum Operations Model* (Sacramento: U.S. Department of the Interior, Bureau of Reclamation, Region 2, 1972).

Hancock: I was the only one who had real extensive—and by extensive, going back to school and having some education maybe—I don't know, maybe nine hours in night classes and two years worth of work experience—that was assigned to that. The rest of them were engineers who had been doing some programming for themselves and work of that nature. And we had one fellow who was assigned to us who had some operational experience, who had actually worked in the operational area of the Central Valley Project. He was assigned. And then we had some people who were . . . Basically, we had, actually, three full-time people, and every once in while we'd get people detailed in. We'd get a 201 person detailed in.

Storey: When you say "three people," you mean besides yourself, or including yourself?

Hancock: Including myself. So it was actually a team of about three permanent people, and then two or three other people. We felt that this too was also going to be useful for our planners. And so the project was actually established with the idea that they would send someone from the planning staff down on a detail to work with us to develop this so that they could learn how to learn the methodology as well, and then we would be using the same technique for planning as we were using for operation. They never implemented it in the planning area at all. But we did have people that actually came down from it and learned how to use the technique in the planning area.

Storey: One of the things I'm interested in is the relationship between different parts of Reclamation. This sounds like the kind of project that might have also been done in the Denver Office in the Engineering and Research Center as it was then known. I'm wondering why it was done in Mid-Pacific. Or maybe I'm looking for something that isn't really there, that it's just logical that it would be done at Mid-Pacific.

Project Operation Modeling Done in the Region

Hancock: No, it was . . . In fact, Charlie Calhoun,³ who's now the Assistant Regional Director in the Lower Colorado Region, was doing a *lot* of work in Denver around the same time that we were doing—not on this particular project. There was no one in Denver who knew how to do the optimization technique, that we were doing dynamic optimization technique. Most of them were doing what they called "linear programming," as an optimization technique, which linear programming was a little easier to apply than a dynamic programming. And we were working very close with Dr. Warren Hall and Dr. Yea [phonetic spelling]. In fact, Dr. Yea is still at U-C-L-A. Dr. Hall subsequently moved to Colorado State University, and I think he died a couple of years ago.

But we'd make trips, oh, I don't know, monthly, a couple of times a month, to go down and consult with those professors to make sure that we were applying the theory appropriately. It was . . . Think about what we were doing, and if I can explain it kind of in layman terms. We had Shasta [Reservoir], Folsom [Reservoir], Trinity

3. Mr. Calhoun participated in Reclamation's oral history program. For more information, see Charles (Charley) A. Calhoun, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, from 1994 to 2009, in Salt Lake City, Utah, and Denver, Colorado, edited by Brit Allan Storey, 2010, www.usbr.gov/history/oralhist.html.

[Reservoir], San Luis [Reservoir], New Melones [Reservoir] hadn't been constructed yet, and the Tracy Pumping Plant. So we had five major reservoirs, and each one of those reservoirs had . . . What did we call them? They had plants at smaller reservoirs they called something—afterbay. They had afterbay reservoirs downstream, which California's kind of unique with that set-up: That we build a major reservoir and then downstream we build—it's an afterbay, but it's really called a regulating reservoir—where you make the big changes in the large reservoir upstream, those changes are not felt in the river downstream. That the regulating reservoir downstream is capable of dampening out some of the large changes that we were making in the reservoir. So we had all of those reservoirs in the system at the same time.

And what we were trying to do is to have the computer take a "snap shot" of the operations of all of these reservoirs together and say, "Okay, if I operate all these reservoirs together, what's the best way to operate all of them simultaneously?" And that snap shot was either monthly, daily, or hourly operation. Of course as you get down to the smaller time frames, the more difficult and the more iterations you have to go through. And what we were looking for was that kind of snap shot. And you just don't get that. I mean, it's amazing how *good* our operators were. I couldn't believe it when we finished the model, how *good* their intuition and experience over the years had gotten them to where they could operate those facilities pretty close to an optimum condition. But the problem was, it took them fifteen to twenty years to get the experience to be able to do that.

Well our theory was, with this modeling, that a new person right in off the street could get that experience in thirty days, because he could run through all of these operational conditions and get that experience very rapidly. So during flood conditions and drought conditions, if you had a new operator in there, you didn't have to worry about him flooding out the people in Sacramento or somewhere else, because he had gained that experience that a senior operator could have had fifteen or thirty years to gain on how best to operate those facilities. So it was a *very*—in terms of integrating that. In fact, we didn't have a computer in Reclamation at the time that was large enough to run the model. We started out running the computer on the Lawrence-Berkeley computer *in* Berkeley. And that's where actually the computer was developed on that system. And then when we got the Cyber System in Denver, we moved it from that system onto the Cyber System.

So it's a *very* time-consuming, iterative process that has to go through and look at how to operate all those reservoirs simultaneously to make the best decision. And the reason for that is, the C-V-P is so integrated in it's operations, that you *need* to look at those reservoirs collectively or you'll do something stupid in terms of operating those facilities. And that's what's getting us now. Even now, the general public really doesn't understand that, and environmentalists don't understand that. They think, "Well, you need more water down the Trinity River. All you got to do, Bureau, is put more water down the Trinity River." Well, you're right, we can do that, but it may cause a *tremendous* amount of impact on the Sacramento River, by not having part of that water, or all of that water available in the Sacramento River five days later. So you need to look at what kind of trade-offs you're really making when

you're operating. And see, all three of those happen to be on—the major ones—happen to be on different streams. They're weren't upstream from each other where you'd let the water out of one and it ends up in the other one, so you've got time to make corrective measures, or you could take— you hadn't lost the water but the Trinity, well, of course, the Trinity River is on it. I mean, Clair Engle Reservoir is what it's called, is on the Trinity River. And Shasta's on the Sacramento River, and Folsom is on the American River. And then you have the Tracy Pumping Plant in the Delta where all *three* of them come together. And of course you've got . . . I forgot all about it—you've got the San Joaquin River coming in, which is . . . And we had Friant [Dam] on the San Joaquin River, and now New Melones that all of them end up in the Delta, and then you pump from the Tracy Pumping Plant into a canal and deliver it to San Luis Reservoir.

And you wanted to release water out of those upstream reservoirs at the right time, so that you could turn your pumps on to get the water in the San Luis Reservoir. So it was really a very—and it still is—a *very* complex and integrated operational process that the Denver Office at that time . . . Two items that they would either have had to come to Sacramento—people in the Denver Office would have had to come to Sacramento to do the job, *or* they would have had to take a couple of the operators from Sacramento and detail them to Denver to work with the modelers to be able to put it together, because you really did need to know how to understand how the decision-making process was being made in the system in order to design the models that you were going to try to run that system with.

So I think that's the reason that it was *not* done in Denver. I think Denver had people there that were capable of working with U-C-L-A and doing the work, but it required such an integrated . . . And we had one person from the power side and one person from the water side, who understood the power operations and understood water op. And when you're doing a *monthly* model, the water is more important than the power. Of course when you get down to the *daily* operations, the power is more important than the water, because you have to be able to make those adjustments in that way. So I never got too involved with the power people in that process, because I didn't get down to the daily model.

I think that's the difference in the relationship. *And* I think this fellow that I mentioned earlier, Jake Osofsky, wanted it done in the regional office. He wanted his kind of "seal" on this particular project.

Storey: Uh-huh. And I may have missed it earlier—you were working with Professors Hall and Yea at U-C-L-A because they created the conceptual model for this?

Applying a New Technique

Hancock: What they had been doing was, they were teaching graduate and Ph.D. program in how to apply that technique. And in fact, we taught *them* (chuckles) how to apply the technique, although they were of *great* assistance to us. Without them we would have *never* gotten through it. But they learned an awful lot about what they should be teaching their pupils about applying the various techniques of optimization, because

at that time—I don't know whether they brought any more—there were basically three techniques that were available: There was linear programming that was available for optimizing systems. There was dynamic programming, and then there was another one—I can't remember it—either stochastic or static—I can't remember. There were three methods they were doing. So you had to know . . . And they were teaching at that time that any one of the three was applicable to most circumstances. Well it turned out that they were not. That you could only use these techniques in certain circumstances that some of them just didn't work. In linear programming, for example . . . Linear programming was pretty applicable to most situations.

Oh! I know what it was! Now I remember—it's been a long time. It was . . . Both of the methods were dynamic programs: one was a steady-state kind of process. And another one was an incremental process. So you had to decide which one of those two you were going to use. And the easiest one to apply was the one that we started out on, which is . . . The theory went like this: that if you have five variables in a system, that if you hold four variables at a constant state and you optimize the fifth variable and then you proceeded to go to the next one, and then hold the four, and you kept doing that, if you would keep doing that for a long-enough period of time through the computer, that you would eventually end up with an optimum solution. Because if you optimized "A," and then put it in a steady-state, you optimized "B," you put it in a steady-state—eventually as you optimized all of them independently, you'd enter the optimized state.

Well that theory doesn't work in a lot of circumstances in C-V-P, and that was the one that we started out with and had to abandon, and they kept telling us we were wrong, that it *would* work—the professors did. And what happened is, because of the way the system was configured, in that everything was dependent on the Delta, so to speak, and the Tracy Pumping Plant, which was in the Delta, and that was really your controlling fix. So what happened when we would do it, we would say, "optimize Folsom" and then hold it at a steady-state. We'd go to Shasta and we'd go around and we'd go around, and pretty soon we'd find that we weren't really meeting the constraints. You couldn't meet your constraints in the Delta: fish flows, pumping requirements, et cetera, without *draining* the other reservoirs. And we said, "Well that's dumb! What in the world is doing on here?!"

So it happens that when you've got three or four systems around like this, that all of them can contribute to the solution of the problem, that by putting one in an optimum state doesn't mean that that's the optimum state it should be in when you consider them as a system. But we really did need to look at the C-V-P as a *system*, that you couldn't even *suboptimize* and say, "Well, when I get through this whole process, I know I'll have the optimum, because each one of them have been optimized. It just didn't work. And the professors *never* wanted to accept that. I mean, we fought (laughs) day, night . . . They said, "It's *got to* work. You're applying theory wrong!"

And they kept looking at our coding of the equations and they said, "You guys have something wrong in this coding of these mathematical equations. It *has to* work." And it wasn't until . . . And we didn't know *why* it didn't work, we just knew it

wasn't working. And it wasn't until one day I said, "You know, what's happening here is the Delta. That what we're doing is, we're not meeting, we can't meet the constraints, that a lot of time it takes all *three* of these systems, being able to vary all *three* of the nodes in this system simultaneously in order to meet the constraints downstream. And they said, "Oh! What kind of constraints do you have?" We said, "Well, we've got water quality constraints; we've got outflow constraints for the Delta that must go to the ocean; we've got fish flows that are required in all the streams." And that was one of the ones that we were not meeting, of course, was fish flows downstream on the reservoir. When you held it in a steady-state, and if you had selected one optimum solution that ignored the requirements for the fish flow requirements there, when you went back to the whole system, you'd blown the system because you hadn't met one of the requirements. And they finally accepted that yes, yes, you needed to look at the package as a total.

Well, that incremental method was easier to apply, it took less computer time, to come up with supposedly a correct solution. Well, then we had to start over, and start using the *other* technique that looked at all of them simultaneously. When you start putting that many nodes in there, once you add a node, the number of decisions that are available to you go up exponentially. So every time you add another node, it doesn't just add one more node, it adds an exponential number of solutions to that process because you have to look at *all* of them in concert with each other, and that's what really took the time in working it out. But we got through it. I don't know how, but we finally got through it. I don't know whether we would have ever gotten through it if New Melones had been constructed at the time. And I always said when we finished that thing, "I hope like heck that I'm not around when New Melones is finished, and somebody has to come into this model to try add that node into this system." And that's the only feature that's been added since we worked on this process. New Melones was finished in like '78 or '79.

Storey: So you left *this* project and went off to Denver?

Hancock: No, I left that project and went back to Data Processing to be the division chief.

Storey: In Mid-Pacific?

Hancock: Uh-huh.

Storey: Oh, I see.

Hancock: For two years before

Storey: And how did that happen that you made the change?

Data Processing Division Chief

Hancock: Just promotional opportunity. I went away for—I think in that time frame—I went away for management training, and then when I came back they advertised that job. The division chief over there retired and I didn't think I had a ghost of a chance because of

the little supervisory experience that I had had just running that one little project, and here this was a division-level job. They selected me for the position. I don't think that . . . Some people in Denver weren't very happy with that selection. I know that my good friend Darrell Webber⁴ wasn't very happy with it. In fact . . . And who else wasn't happy with it? I'm trying to think of the name. It wasn't Don Anderson. Was it Don Anderson? No. Who was the guy that was the Assistant Commissioner for Administration before Don Anderson?⁵ Whoever he was, wasn't very happy with the selection. I remember I was sitting in Jack Mislser's [phonetic spelling] office, who was the Assistant Regional Director for Administration at the time, when he got a conference call from—he didn't know he was going to get a conference call—from Darrell Webber and whoever this other fellow was.

And they were saying they wanted him to re-advertise the job, because he had just sent my name in for approval. I didn't even know he had sent it in—he hadn't told me. And that they didn't think that I was the right person for the job, that they had some other people that they wanted to see in the group. And one of the fellow's named was a consultant in Colorado. Can't even remember his name, that they wanted to apply for the job. Jack told me about the conversation. I was hearing one side of the conversation and Jack said, "You want me to do *what*?!" He said, "I want you to re-advertise the job." And he said, "For what reason?" He said, "Because we believe that we've got some employees that we'd like to see apply for this job." And Jack said, "This job was advertised for *thirty days*. We got somewhere between ten and fifteen applicants for the job. And so many of them were qualified for the position, and I make the selection and I sent it back to you, and now you want me to re-advertise it, reopen it for a period of time because two or three people that you thought should have applied didn't apply? Did I understand you right?!" "Yeah, yeah, that's what we want you do to." Jack said, "Well, it's not going to do any good for me to reopen this job." And they said, "Well, why not?" And he said, "Because I've already made my selection, and reopening this job is not going to change my selection!" And he said, "Well, what do you mean?" He said, "If you're just talking about the two or three people that *you're* going to . . . We don't select people in California that can't make a decision in thirty days. These people had thirty days to decide if they whether they were going to apply for this job or not, and they didn't make a decision! There's no way I'm going to select *any* of them!" (laughter)

Storey: That's interesting!

Hancock: So he never reopened the job, and I got the job. I remember that conversation. He told me about it, and he said, "You didn't know who I was talking about in there, but they were talking about you. I had recommended you and they didn't think that you were the right person for the job." Oh, Pete Fungamon [phonetic spelling] was one of

4. Darrell Webber served as Regional Director of the Southwest Region in 1982, and later went on to become Assistant Commissioner of Engineering and Research from 1982 to 1993. For more information, see Darrell Webber, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, Denver, Colorado in 1993, edited and desk-top published by Andrew H. Gahan, 2012, www.usbr.gov/history/oralhist.html.

5. Wilbur P. Kane was the Assistant Commissioner for Administration (1963-1974) prior to Donald D. Anderson.

the names. I remember his name, because our paths crossed later in my career a little bit. He was one of the people that I think he and Webber were pretty good friends at the time and knew each other very well in terms of capability, and I think Darrell wanted him, or thought that he might be a better candidate for that job than I was. I didn't spend very much time in that job—I think probably a year or two years—and then another opportunity opened up for me. That's when I went to Denver, in '76. Darrell went on management program.

Storey: Uh huh.

Hancock: And I was selected to go in. I guess he was gone for *one* year, and I was selected on a temporary promotion to go into Denver for one year, and I ended up staying in that job for *eight* years, because Darrell never came back from his management program. He got another job, and they then put me in the job on a permanent basis.

Storey: That was the Division Chief for A-D-P in Denver?

Hancock: Right.

Storey: What were the issues that you had to face as Division Chief for A-D-P in Sacramento and in Denver? What were the kinds of things that were issues for you?

Challenges Managing the Data Processing Division

Hancock: In Sacramento . . . it was really a . . . probably a neat job in the sense that we had really, I thought, really capable staff. And since I had worked in that division, people knew me prior to that. I was probably pretty well received in the Sacramento Office in that particular job—with one exception. The fellow that I worked for before I had gone to the operations side of the house was also an applicant for the job at the time, and I was selected over him for the job, and he didn't like it because he had been brought over from the state of California by a fellow who retired, as kind of the heir apparent to get that job. So he was highly upset that they would bring me back into that job—someone who had worked for him to be his supervisor. Our relationship was professional, but it wasn't very good, and in fact he . . . Kind of interesting how . . . (laughs) I heard a story this morning that's kind of interesting, that I thought this fellow should have taken heed to, on the radio when I was driving in. If I can remember it right, it said, "Beware of the toes you step on, because the toes you step on going up or going by may be the same butts you have kiss on your way down." (laughter)

Storey: Yes, that's sort of like the story about Daddy Warbucks. "You don't have to worry about who you step on going up, as long as you know you don't have to come back down."

Hancock: That's right! (laughter) So I thought that was . . . This guy and I did not get along very well at all. In fact, that was probably . . . I had forgotten that! That's probably the reason I left Data Processing and went to operations, because he and I were not getting along very well at all, and he was my supervisor. So I actually solicited the

job in operations—in fact, took a lateral to go over to operations to do that work for them. I had forgotten that too. The guy's name was Fred Jenke [phonetic spelling], and Fred and I have crossed paths many times since then—never as supervis . . .

END SIDE 2, TAPE 1. SEPTEMBER 8, 1993.

BEGIN SIDE 1, TAPE 2. SEPTEMBER 8, 1993.

Storey: [This is the second] tape in an interview by Brit Storey of Principal Deputy Commissioner Lawrence Hancock, on September 8, 1993.

Hancock: He worked here for a while, he worked in Denver for a while. But anyway, let me get back to what I was really trying to say, that in my . . . The *one* incident, the reason I . . . And I've been really fortunate in Reclamation: I think I've had some of the greatest supervisors in my career that anybody could ever ask for, and he was the only person that I ever had as a supervisor that I didn't trust. I think that says it all.

In fact, the first time I applied for the management development program was while I was working with him, and he had been giving me all kinds of . . . (brief interruption) He had been giving me all kinds of verbal praise about my work and everything. When he filed out my evaluation for the management development program, he gave me a remarkable rating, recommendation and the whole bit. And about a week after it had gone in (sound of pounding from the other side of the wall), the secretary in the office said, "You need to request a copy of your evaluation that Fred Jenke has given you." So I did. I went to Personnel and I said, "I need to see a copy of it, he didn't give me a copy of it." So they gave me a copy of it, and he had basically evaluated me unsatisfactory. He had *changed* the evaluation from what he had shown me and what he had said when he put it in writing. So when I confronted him, he said, "Well, you're too valuable to me. I couldn't (sound of pounding from other side of wall) risk losing you. And I wanted to put this evaluation in so I could assure that I'd have you around." And I said, "Well you've assured yourself of one thing." He said, "What's that?" I said, "You *will* lose me," (laughs) "because I can't work for anybody who would do anything like this. If you had told me that, up front, then I may not have applied. But to *tell* me that you were rating me one way, and then to write me another way when you send the evaluation in is just . . . I don't know how I can work for anybody like that." So I did, I actually did go to Operations and asked them if they had anything available that they could use me on. That's when that guy thought about me and Jake Osofsky doing that special assignment.

Storey?: (inaudible)

Hancock: Which was really . . . It's amazing how you forget all these . . . Maybe those are things you *want* to forget, so you kind of just bury them back there in the back and say, "Oh, I'll forget about that." So actually, that was my biggest challenge, when I went *back* to Data Processing. Then this guy worked for *me*. For me to be fair, not vindictive, and work with him on a professional basis was a big challenge for me, that I wouldn't say, "I'm going to go back and get this guy," in this whole process. That was *probably* the big . . . And we worked—I thought we worked pretty good together. I don't know what he would say, although he was ready to move when he heard that I was coming

back too, which I don't blame him. But he had a *very* difficult time moving. No one in the region would touch him, and I think that's when he finally . . . I think he got a job—I think his first job was in the . . . I think it was here in Washington, or whether he went to Denver . . . No, it was here in Washington. He got a job in the Safety of Dams Program here in Washington, eventually. And we really had some really heated discussions, because I rated him very highly—I thought I was being very fair with him, and I rated him on his technical skills and capabilities of doing work. I would not—whenever he was applying for a supervisory position, his ratings were very low, so then he was always generally applying for a supervisory position. So he never got a supervisory position—he just couldn't get one, because I wouldn't rate him very high in that area, when he was looking for himself.

And I made it through that, so I got some real good supervisory experience. He and I didn't kill each other, we didn't even get into any fights (laughs), we even talked to each other very civil, we were very professional toward each other through that whole process. Although we did have some knock-down, drag-out discussions about my evaluations of him behind closed doors, especially for the jobs and activities that were going on. But other than that, our relationship in the office to everybody else was as genuine as anything else that was going on.

Addition of Black Employees within Reclamation

The other challenge that I had probably in Sacramento was that . . . And I had nothing to do with this. It's amazing how you can get things attributed to you. But at that time, there was an awful lot of additional black employees being hired in the Division of Data Processing after I became division chief, both female and male. And in fact, almost all of the selection—which weren't a great number, maybe three or four selections in my six months, and some of them were in the process when I actually got the job—turned out to be black employees. So the word got around that Hancock was going to turn the entire Division of Data Processing into an all-black division in Reclamation. And again this same secretary kind of alerted me on that.

And I had all-employee meetings with the division, probably once-a-month meetings, and she alerted me. And I said, "Well, yeah, I think I'm going to address that in staff meetings." I said, "I understand that there's some employees in this division that are really concerned that I'm going to turn this entire Division into a black division." And everything was just silent. And I said, "You're absolutely *right*. If that will give me the most productive and the most efficient organization in the Bureau of Reclamation, that's exactly what I'm going to do. So if any of you are not doing your job, and doing the best that you can do in your job, then you need to be concerned about that. But if you're doing your work and carrying out your responsibilities, you don't have anything to be concerned about, because what I want, whether it's black, white, green, or purple, is the most *effective* and the most *efficient* division I can possibly have. So if you're sitting around worrying about whether I'm going to turn this division into black, then you've got something to worry about." (laughs) And I never heard another word about that.

That was probably the two areas that I had—kind of some, how to really address

and to handle those issues were probably kind of the key activities that . . . Then I went off to Denver for that one year that I'd mentioned before that turned into eight years.

Storey: Maybe what we ought to do—I see that our time is about up, and that you have a meeting. So why don't we pick up there the next time I can have a discussion with you. I would like to ask you whether you have any idea whether you want to open this interview generally to the public now, or you want to think about what you want to do, or you know that you want to close it, or whatever.

Hancock: I want to think about it. I think I want to close it, but I think I want to think about it. Because *some* of this may be beneficial for the public. It may not (laughs) but I probably shouldn't have said some names if I was going to do that.

Storey: Okay. Well, I appreciate it, thank you!

Hancock: Okay.

END SIDE 1, TAPE 2. SEPTEMBER 8, 1993.

BEGIN SIDE 1, TAPE 1. OCTOBER 25, 1993.

Storey: This is Brit Allan Storey, senior historian of the Bureau of Reclamation, interviewing Lawrence Hancock, Principal Deputy Commissioner of the Bureau of Reclamation, in the offices of the Bureau of Reclamation, in the Main Interior Building, in Washington, D.C., on October 25, 1993. This is Tape One.

Storey: Let's see, it's about 10:30 a.m., I believe. Mr. Hancock, when we spoke last time, we'd gotten up to your move to Denver in 1976, I believe. If you could start off there, I'd appreciate it.

Head of the Denver Division of Data Processing

Hancock: Well, let's see, 1976 was when I went to Denver. I went to Denver on a one-year, temporary promotion assignment to be Head of the Division of Data Processing, because the current division director, Darrell Webber was going on a management assignment for a year. That one-year temporary assignment turned into approximately eight years assignment because Darrell never came back and I was put in the job on a permanent basis.

The Denver job was probably, from a cultural and environmental perspective, was probably the most difficult job I've ever had in my career. And the reason that's true is, in 1976 the Denver Office was primarily made up of white males, and not just like the whole Bureau was, but it was different in Denver. The difference in Denver was that most of the people in Denver, the white males, had started at Denver and spent their entire careers there and went up through chain to become managers in that organization. And they resented people who came in from the outside, irrespective of ethnic backgrounds and whatever else. You were just an outsider and you probably shouldn't be there—there had to be at least ten people who were better qualified than

you to do *any* job in Denver.

So I went into an organization that was somewhat with that kind of a backdrop. It was kind of unique because my immediate subordinate supervisors were a rare group. I understand that they had a retreat with them, and Darrell Webber and Don Anderson, to prepare for my arrival before I got there. They went in the mountains and spent at least a couple of days together to get ready for me. And they were ready, because they put me through every childish game I've ever been through in my career, in terms of determining whether I was "worthy" to head up that organization. I believe to this day that one of the fellows was so . . . disappointed with his non-selection for that position, Leroy Burton, that shortly after my arrival, he had a stroke and died as a result of his kind of antagonism with me. And I think that occurred probably six months after I had been in the job.

Although after about a six- to nine-month "test period" for me, I think everything settled down and everything worked out okay in the Denver Office. I never really liked the office, though, in terms of working relationships. It was almost like you had several regions right in the Denver Office. Everybody in Denver, at least I reported to Don Hanisman [phonetic spelling] in Washington. A lot of other people reported to different people in Washington, so there was very poor communications. Probably people having different objectives and different motives for trying to carry out their responsibilities in the office. When we went back, I think the best thing we did was went back to the Deputy Commissioner they have in the entire office at least reporting to one person in Denver to increase that process.

We may be going *back* to that split-up in the near future. I hope it works better than it's worked in the past. And I hope the people in Denver at least feel like they ought to continue to communicate in one arena, even if we do go back to that set-up. But having an office of that size there where no one seemed to report to anyone at that location, as a whole, in charge, was really kind of a devastating, destructive method of running an organization.

Like I said earlier, I spent eight years in Denver. I was *very* happy to get out of Denver, even after eight years. Loved the city, and I think my kids and my family all grew up there, but that work environment at the Denver E&R Center is one that I could have done without.

Becoming Assistant Regional Director in California

I returned to California as the Assistant Regional Director to Dave Houston, and I think that was in 1984—yeah, 1984—and decided to see what I could do with California. California at that time, we were having a lot of problems primarily with drainage issues in the San Joaquin Valley, Kesterson Reservoir issue had hit national press, trying to resolve the drainage issue and the problems that they had with the migratory birds.

Storey: Salinity concentration thing.

Hancock: Salinity concentration, drainage from the agricultural lands ending up in Kesterson Reservoir that was causing deaths and deformities to bird wildlife in Kesterson Reservoir area.

I really enjoyed working for Dave Houston. He was an energetic, committed, young man. One of the most difficult problems that I have ever encountered working for people that are younger than you are, their bladders are usually stronger, and it's real tough sitting in a meeting with the supervisor who's maybe two-thirds your age, and he wants to continue to go and go, and you tell him, "No, boss, I need to" (chuckles) "make a stop. My bladder's not going to last that long." And that was really probably the most difficult problem I had working with Dave Houston. I was really surprised in his abilities. He came in originally as a political appointee from the good old state of Nevada, and he was converted to a career employee, but he certainly understood Reclamation and Department of Interior's programs, and he tried to carry those programs out just as effectively as if he had been a seasoned career veteran in the Bureau of Reclamation and Department of Interior.

Kesterson Wildlife Refuge

Dealing with Kesterson was probably my major concern, and also dealing with trying to put together an organization that could look at the drainage issue collectively was also one of my concerns after we kind of got Kesterson settled down. So we put together the San Joaquin Valley Drainage Program, which included five agencies: two state agencies and three Federal agencies. I think it was the California Department of Water Resources, California Department of Fish and Game, and the three Federal agencies were [U.S.] Fish and Wildlife Service, [U.S.] Geological Survey, and the Bureau of Reclamation. Trying to get those five diverse organizations to come to some kind of agreement on recommended solutions for the drainage problem in the San Joaquin Valley was a real tough, tough undertaking.

I put together that group, and I think out of that group came the formation of the Department's drainage program, which was formulated I think about a year or two years later after the San Joaquin Valley Drainage Program was formulated. Of course the San Joaquin program has concluded their activities, but the Department's drainage program is still on the way today. And we're still dealing with the drainage problems in Kesterson now, and activities of how we're going to get repaid for the money that we have expended on the entire drainage program. In fact, the current Commissioner, Dan Beard, has a hearing *tomorrow* where he's going to have to address the entire drainage issue.

Dave Houston left as Regional Director with the election of President [George H. W.] Bush, because he said that he thought if he was a Reagan person and he couldn't give his entire support to the Bush administration, that he probably should leave. And so he left and I was appointed Regional Director of for Mid-Pacific Region, I think in 1990, if I remember correctly. Let's see, the election was in. . . .

Storey: In 1988.

Moving Up in the Organization

Hancock: In 1988. And maybe I was appointed in 1989—I can't even remember—as the Regional Director. A little bit different environment when you're the Regional Director rather than an Assistant or Deputy where you can walk across the hall and get all the advice you need on which way you should proceed or how you should go about carrying out a particular decision or responsibilities. And when your supervisor is 3,000 miles away by telephone, and probably does not understand the issues anywhere as much as you do, it's kind of hard to get advice from them. So being the head of an office was kind of an—especially that office with all of the political controversy that goes on in California over water issues, and gave me a different perspective on, at least how the Regional Directors in California had tried to carry out their responsibilities prior to me. I enjoy it, it was a very challenging job. If I had to do anything differently, I probably would have asked for forgiveness a little more than permission, because it's certainly a lot easier to get forgiveness sometimes in the water area, than it is permission to do particular activities.

[I] was having a lot of fun in California carrying out that program. And one of the E-M-C meetings, the Executive Management Meetings, I remember Commissioner [Dennis B.] Underwood⁶ at that time saying he wanted his Deputy in Washington, and he was trying to convince Joe Hall that he should pack his suitcases and relocate from Denver to Washington. Although he wanted a Deputy in Denver as well, he thought he might want Joe Hall⁷ to come to Washington. After, I guess several months' consideration, he decided that he wanted to have a Deputy in Washington and one in Denver as well. And there was only two people that had expressed availability to move if Dennis decided then to move, and that was Roger Patterson⁸ and myself. I had told Dennis that if he thought that I could help him in any other position in Reclamation, I was willing to consider making a relocation move to be of assistance to him. I think not knowingly, Roger Patterson and I talked after Roger had made a similar offer to Dennis, that he would also move almost anywhere he wanted him to go, with the exception that he did not want to come to Washington, D.C., because of his small kids—he wanted to stay in the West.

Well, in light of that, I got a call from Dennis one day saying, "I want you to consider coming back to Washington to be my Deputy." And I guess shortly after that

6. Dennis Underwood was the Commissioner of the Bureau of Reclamation under the administration of President George H. W. Bush, 1989-1993. For more information, see Dennis B. Underwood, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, from 1995 to 1998, in Los Angeles and Ontario, California, edited by Brit Allan Storey, www.usbr.gov/history/oralhist.html.

7. Joe B. Hall served the Bureau of Reclamation in number of functions throughout his career: Regional Director of the Lower Missouri Region, 1975-1980; Deputy Commissioner, 1987-1993. For more information, see Joe Hall, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, in Denver, Colorado, edited by Brit Allan Storey, further edited and desktop published by Andrew H. Gahan, 2015.

8. Roger K. Patterson served as Regional Director of the Great Plains Region, 1988-1991, and Regional Director of the Mid-Pacific Region, 1991-1999. For mor information, see Roger K. Patterson, *Oral History Interviews*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, from 1994 to 2000, in Sacramento, California, and Lincoln, Nebraska, edited by Brit Allan Storey, 2011, www.usbr.gov/history/oralhist.html.

he called Roger and he told Roger he wanted him to consider moving from Billings as Regional Director to Sacramento as Regional Director. And neither one of us knew that he was calling the other one to ask him, but he gave us the weekend to consider it, and I decided that I would come back to Washington to be Dennis's Deputy Commissioner. I came back here I guess in August of 1991. And Roger went to Sacramento around the same time, to be Regional Director out there.

Working with the Commissioner

Arriving in Washington and working with Dennis Underwood was an experience that I'll never forget. Dennis was probably the kindest person I've ever worked for in terms of being concerned about human beings and being concerned about doing the right things, irrespective of the politics around him, doing the right things. Dennis always felt that if you were doing the right thing, you would prevail. In some ways it showed how naive he was in terms of the political atmosphere in Washington, D.C.

Coming to Washington, and again having someone right next door to me to go to and get advice on how to carry out the program was kind of a comfort zone again of being—(laughs) although it's not that much comfort, because Dennis did an awful lot of traveling and stayed on the road, so I still didn't have anybody to go to, to get advice (chuckles) unless I went downstairs to the Department of Interior. Probably working in the Bush administration here the most frustrating activities we had—thank goodness it hasn't surfaced under the Clinton administration yet, and the [Secretary of the Interior Bruce] Babbitt years—was the relationship between Reclamation and Water and Science, Assistant Secretary for Water and Science.

It appeared that the Assistant Secretary's Office of Water and Science really wanted to manage and run Reclamation, and it was very difficult getting their concurrence or approval to move on any activities we wanted to do under the Bush administration. If Reclamation had any failings during the Bush administration, it was a lack of decisiveness on the part of both the Commissioner and the Assistant Secretary's Office, that even if Dennis decided to make a decision, when it was under review in the Department, especially at the Assistant Secretary's level, it would stay there for months and even sometimes even years before we'd get a decision on moving those activities. So that was probably the most frustrating part of the job in Washington, D.C. was the lack of decisiveness, the ability to make a decision or take a position on the issues—especially if there was any controversy surrounding those issues. During the Bush years, during Underwood and John Sayre and Harland Watson and Joe Hunter years, municipal process.

Probably the most rewarding aspect of it was again Dennis's human nature about going about managing an organization the size of Reclamation. He was genuinely interested in people, how to make people their most valued asset, and how to move Reclamation's program forward. He had his idea about the *Strategic Plan*,⁹

9. For more information on Commissioner Underwood's strategic plan, see United States Department of the Interior, Bureau of Reclamation, *Reclamation's Strategic Plan: A Long-term Framework for Water Resources*

(continued...)

and he was determined to get that *Strategic Plan* done before he left, and we got it completed. It's being adopted now by Dan [Beard] as kind of the broad umbrella in how he wants to carry out his change for Reclamation. So I think that's kind of a plug for Mr. Underwood and his accomplishment, at least in getting that *Strategic Plan* completed during his tenure as Commissioner of Reclamation.

Dan Beard's¹⁰ a rotten ruler as Commissioner, [was] kind of a—at least viewed by me as somewhat of a certain death for Reclamation, initially. After working with him for a while and getting to know him better, I think that Dan is going to be a very good Commissioner for Reclamation. That if we can't make the transition from a developmental agency to a water resources management agency under *this* Commissioner's guidance, we're not going to make it at all. And clearly this agency will cease to exist, because Dan has the political contacts and the support in the Department to carry out his program, and I think it's going to be important for all of us to give Dan as much assistance as we can possibly give him and try to implement this program in the future. I think he's made some tremendous drives in trying to get this program up.

Working for Different Administrations

Probably the biggest difference that I had to adjust to with the change in Commissioners was, I had to . . . Dennis Underwood who wanted to kind of review and spec every document to the Nth degree, and then I get a fellow like Dan Beard who really didn't even want details, just wanted to know bottom line and was and *is* a very decisive person in carrying out his program. So I have kind of had to make that transition. I think personally this transition has been very difficult for me, because I was probably one of the, considered by the Babbitt group that came in, as an insider in the Bush administration, being a pretty conservative Republican myself. And they were fully aware of that, that I was considered one of the insiders. And I'm not sure that many of the Babbitt camp to this day trusts that I'm around this Commissioner and carrying out his program to the best of my abilities possible. That will take some time. I don't know whether it will ever get to the point where it was in the Bush administration, but I'm going to give it all that I can to make it work.

Personally, they have really taken me on. The Bush administration had put me in for the Presidential Rank Award, which met some controversy at the election of President Clinton. I've never been told one way or another, officially, by this group if they were going to endorse the recommendation by Secretary [Manuel] Lujan or not, but I've got unofficial word that my name was not approved at White House level for a rank award. Not only that, the performance evaluations that Dennis left for me in April, since Dennis didn't leave as Commissioner, Secretary Babbitt asked Dennis to stay on until he could get someone confirmed as Commissioner. So Dennis stayed on

9. (...continued)

Management, Development, and Protection, June 1992.

10. Daniel Beard served as Commissioner of the Bureau of Reclamation under the Clinton administration, 1993-1995. For more information, see Daniel P. Beard, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, from 1993 to 1995, in Washington, D. C., edited by Brit Allan Storey, 2009, www.usbr.gov/history/oralhist.html.

until, I think April 2 was his last day. He gave me an interim rating for that period at the Outstanding Level, Level 5, and I was acting Commissioner from when Dennis left until Dan Beard was confirmed. I don't think Dan Beard was confirmed until late in May.

The rating period was over the end of June, and Dan Beard elected to reduce my rating, based on one month's worth of observation, which really got us off to somewhat of a shaky start. I didn't believe that based on one month's worth of observation of my performance he had any information or even had the time to make a fair assessment of my capabilities and either lower my rating, or raise my rating, or do anything to my rating in that short a time frame. I appealed that to the Performance Review Committee in the Department, and they kind of punted on the issue and never took a position on it. I talked to Assistant Secretary Betsy Rieke, and she made the same observation that I made about Dan, that she didn't have enough first-hand knowledge to make an informed decision on that, so she left it the way Dan had done it. Since that time I've just kind of dropped the issue and said it's not worth the hassle of going through the appeal. So that's why I say I got off to a very shaky—personally I got off to a very shaky start with current administration. I have asked Dan Beard on at least three or four different occasions if we could have time to sit down and try to talk about what role he wanted me to play in *his* administration, on his watch as Commissioner. I have made the offer to him that if he does not want me as his Deputy Commissioner, I'm more than willing to assume some other position, as long as he's willing to discuss whatever that position is with me prior to directing me or requesting me to take that position; that I understand the people coming into this kind of position may want people in those positions that *they* put in those positions, and not necessarily have to incur a Deputy Commissioner from a previous Commissioner. To this date, Dan has never taken me up on the offer to sit down and talk to me about what it is he wants a Deputy to do, or whether he wants me to stay and continue to be his Deputy, or whether he has other plans for me. So that's kind of the current status of where my career is today.

I don't know—because of doing this in two sessions—I don't know whether there's a whole lot of continuity (chuckles) between when I started out, the message I was trying to give, and what message that I end up giving. I do know, without a doubt, that I will be eligible for retirement on April 27, 1994, and I will have had approximately thirty-two years with the Bureau of Reclamation, scattered between the seventeen western states and Washington, D.C. I think that's enough time for any one person to spend in the same organization. So as soon as I can dispose of some of the real estate that I have around the country, I am planning to retire. I cannot give a precise date on my retirement, since the real estate market on the West Coast and East Coast is not the greatest right now. But hopefully that'll happen sometime before January 1995, and I can go on to either relax or pursue a second career for a few years.

Storey: Where are you planning to retire?

Hancock: I don't know at this time. Probably in California or Nevada, are the two places that we are looking at. We own undeveloped property in Nevada outside of Las Vegas,

about thirty miles outside of Las Vegas. And we have a home in California, we have a home *here*. So I've got two mortgage payments that I'm paying, and I've got to get rid of one of those mortgage payments before I can afford to retire! (chuckles)

Storey: Well, let's go back, if we may, to your heading—what did they call it in those days?

END SIDE 1, TAPE 1. OCTOBER 25, 1993.
BEGIN SIDE 2, TAPE 1. OCTOBER 25, 1993.

Storey: What were the major issues that you faced in that division, besides dealing with the personnel there?

Issues Facing the Data Processing Division

Hancock: Ah, we were going through (sigh) a reevaluation of the centralized computing concept versus distributed computing concepts at that time. In other words, we had *just* managed to put in a centralized computer system, the Cyber Computer System in all the regions, Washington Office, and all the offices had a communications line, and remote hook-ups to use that centralized computing capability. And we were, about the same time when mini-computers and micro-computers were becoming affordable and powerful, and we had to struggle between those people who wanted to maintain the large centralized computer system and require people to come to that system to get their services, rather than having a mini-computers and micro-computers at their disposal. So that was really kind of the biggest programmatic struggle we had.

The other programmatic struggle we had was kind of interesting, that everyone thought we were spending an awful lot of money providing computer services to Reclamation. So we went back and we took a realistic look at what we were spending. It turned out we were spending less than one percent of our budget for computer services, which was not very much compared to other markets or other comparable industries during that time, in terms of services that we were providing. So that was really kind of the thrust of the major issues.

I did go through a procurement while I was there, procuring the VAX computer system, which was a mini-computer system base—so we tried to give people *both* worlds, so they could use their mini-computer, and they could also use the big batch processing Cyber System as well. And we also went to, during the time that I was there, we also even went to the micro-computer, or the desktop computer for all our people, with communications to both of those systems.

Storey: If I understand it correctly, the Cyber was a system for all of Reclamation? Everybody was using it through telecommunications?

Hancock: That's correct.

Storey: And so the regions wanted to have their own systems? Is this what I'm hearing?

Hancock: Yes. Well, the regions wanted mini computers where their users could have terminals

to use as well. And also so that they could have some interactive programming capabilities, yes. And that's where we went to the VAX System to interface, to give them some kind of capabilities. That's correct.

Storey: How do you see the way the computer system has developed in Reclamation? Originally, if I understand it correctly, there was this one Cyber—or a group of Cybers, I don't understand it that well, which was providing all of the computing capability within Reclamation. And interestingly, I think, the systems were originally run by engineers: Darrell Webber, yourself, Jim Malila was there at that time, and so on. And how has that system evolved within Reclamation, and is it still an efficient system from your perspective?

Computer Systems Developing in Reclamation

Hancock: Yeah, it's kind of interesting, because if you go back even before the Cybers, there was a Honeywell system that we used to use, and when we were in California, because it wasn't any major computing capabilities in Reclamation, we used to use the Lawrence Radiation Lab's computer in Berkeley. But then we went out and acquired—which was kind of the trend at that time—we went out and acquired a group of Cyber Systems. And it was, the organization was pretty much dominated by engineers, although there were some administrative or accounting types that support it as well. And we put in a centralized system, and it started out as a centralized batch system, where the regions had communications to that system. You could send your file across the communication line, it'd go into the Cyber, it'd be processed, and then you would get your printed output at the region or at the project office, if you had that capability at the regional office or at the project office. And then we went, because of the payroll system and processing, we went to two Cybers and we separated them: one for engineering systems and one for administrative systems. So we had two Cybers sitting on the floor: one was called an engineering kind of batch system, and the other one was an administrative system, with the same kind of work stations from the regions and projects where you had to have a "batch" so to speak, a batch mode in the end. Then we went to the point where we could actually hook up interactive terminals, so you didn't have to carry your job to a central location and have it batched. You could have a terminal on your desk, and you could actually enter your job into the Cyber from your desk, but you still had to go pick up your output from a central location.

And then the regions wanted, they felt that some of the jobs that were being run, the Cyber was getting slower and slower in terms of providing services, and the regions felt that since they had what they called "remote terminals" out there anyway, if they could upgrade those terminals to mini-computers, then they could provide their customers with some *local* services on the mini-computers, and maybe even give some of their users *interactive* terminals to commune to the mini-computers to run interactive jobs and short jobs that didn't require a lot of computer time, and the batch jobs could still come into Cyber System in Denver. So we did. We proceeded to implement that.

It was kind of a natural progression and kind of the way the industry and the

technology in the computers were growing at that time. And then of course along came the Administrative Service. And so kind of the whole administrative processes for payroll and other administrative processes were kind of stripped out of Reclamation and put into a departmental center, so to speak, under the management of Reclamation. See, then you had *two* computer centers. To me that was a very illogical move, but it was the only way that it was going to be politically acceptable, was moving that center out of Reclamation. But they should have, I believe, maintained both centers in the same location, so that you could share operators and a lot of the workspace, which is common workspace, to keep the costs down, where you didn't have to have two computer centers: one for the Bureau's engineering work, and then one for administrative work, where it could have all been in one center because the computer doesn't care what you call it, I mean, you have it in the same room.

And then we kind of move into the area of the micro-computer or the desk-top computer where we are today, but people have desk-top computers that they can get several different types of computing capability by going into that. That's pretty much where the industry is today. I think the key mistake that Reclamation has made is that after the Cybers and the VAX, that there was no planned transition. They just kind of happened to get into the micro-computers and the desk-top computers. The technology just kind of overtook the process and there was no plan, where prior to that, beginning with the acquisition of the Cybers and the transitions that were made were all *planned* transitions. And now we're not sure what we have, because it wasn't a planned transition. So everybody is very skeptical about whether we're getting good data processing services, whether it's costing us too much, whether we've got too many of the human resources tied up in this whole process, and so people are beginning to ask questions again about whether we have the most cost-effective processing that we should have.

Clearly I think the maintenance of two centralized centers is inappropriate. And I don't mean that from a management perspective, that you can *have* two managements, if you've got two separate organizations; but you don't need two centers, physical space. Computer space is probably some of the most expensive space that you can have for all the air conditioning, for all the electrical requirements. And even the operating staff can share, can operate two machines or six machines, more efficiently, more effectively than one machine or separately. So in my opinion there's a lot of savings that *could* be made just by combining the two centers physically in one location—even if they were managed separately, or the actual management of the *work* and the objectives could be separate. Of course, you have to have *one* manager for the physical site, providing services to both organizations, because you couldn't have two managers of one co-existing site.

So I really think that people will be surprised when they get reviews of, even now, what we're doing with our data processing services. I think they'll be surprised at the services that they're getting and the cost that they're getting is still pretty competitive, if not a lot cheaper than other areas. So I can't indict the Information Resources Group yet. I think that they're still doing a pretty good job in providing services to Reclamation. There's some questions whether we should continue with the centralized sites. There are some engineering applications that still require that

kind of massive computing capability that only a centralized site can still provide. But we're getting to the point where smaller computing capabilities can provide that horsepower. And I think in the next decade or so, you'll see the big computer systems kind of phased out totally, and that you'll have as much computing power on your desk as you'll ever need.

So I really don't have a real strong indictment of the information resources thing. I think it's being managed pretty effectively. We've gone through some shaky times with managers. When I left in '78, they brought Jim Furse out from Washington to head up that office. He had *very* little experience in mainframe computers, but had a lot of personal experience with a personal computer. But he had a lot of difficulty in managing a much smaller organization in Washington, and they put him over a much *larger* organization that he didn't have, in my opinion, a lot of the *technical* competence, and he didn't bring the management skills. And I think that was really one of the problems with someone not planning the whole process. I don't think Jim had the foggiest idea how to get his staff to go through that whole process to do that. Ultimately, they ended up having to take him out of that position and move him into *another* position in the whole process of that. So I think that era, now looking back, having I think a very competent manager in the field of information resources over there. I think they're going to turn the whole process around with the new person. Well, "new"—I think he's been in there two years or a year-and-a-half—quite a while.

So that's kind of my long story on information resources. I've spent probably half my working career in that field.

Storey: And it's one that's revolutionized the way we do business.

Hancock: That's right, it has.

Storey: Not only in terms of engineering calculations in the modeling, for instance, that you started out with, but also in terms of just plain old word processing! Secretaries are now virtually obsolete in many ways.

Hancock: Right.

Storey: When you first went to Denver, who was the Assistant Commissioner for Engineering and Research? I think you would have worked for him—am I not right?

Hancock: No. I worked for the Assistant Commissioner for Administration, which was here. That's where I was sent. I reported to. . . .

Don Anderson, Assistant Commissioner for Administration

Storey: That was John Anderson?

Hancock: That was *Don* Anderson.

Storey: *Don* Anderson! Okay, could you tell me about Don Anderson, please?

Hancock: Don was kind of a maverick in a way, but an absolutely understandable maverick. And when I say that, he was pretty direct, and you never had any doubts about what Don Anderson wanted you to do. You may not have agreed with what he wanted you to do, but he was pretty clear about what it is he wanted you to do. So he made it real easy to work for someone, even being 1,500 miles away, because his direction was pretty clear and pretty direct. The only time you heard from Don was when you did something that he didn't like. I never heard from Don when things were going good, he never called to say, "You did a good job," or "I appreciate your support on that activity." But if you did something that he didn't think was right, the telephone would ring and he'd let you know in no uncertain terms that you screwed that one up.

That would clearly be Don's way, I think. Don was also very powerful. It was interesting that the administrative side of the house under Don . . . Don was very powerful, and I think it was because of the budgetary. If you controlled the money in Reclamation, during those eras, you really controlled a lot of the power in the organization—and especially when most of the managers in Reclamation during those eras didn't understand the *programming* side of the house. And I don't mean the actual *carrying* out of the program, but how to get the program and budgetary process to facilitate them to carry out the mission. And when you have both the budget and kind of the financial programming aspects under your control, you can tell people, "No, because it's not authorized for you to do that particular program," and you can really control the program of Reclamation. And I think that's why Don had so much control.

Don was also . . . It was kind of interesting, because Don was the person who hired me to go to Denver. He was also one of the people that my good buddy Darrell Webber convinced that I *shouldn't* have been hired as the Regional Data Processing Manager in Sacramento when Jack Mislner, who was the Assistant Regional Director out there was hiring me for *that* job. And Jack told both to just bug off, that he was going to hire me. And if they wanted to turn it around, that it was their choice to turn it around. But Don became a real big fan of mine, and was probably one of my mentors in that whole process, because he was the guy who said, yes, he wanted me to come to Denver. He supported—and all of the people that worked for me in Denver *knew* that he supported me coming to Denver, and they weren't about to take Don Anderson on in opposition to that. So they found it easier to take me on (chuckles) in that process than to take Don on, in his decision to bring me to Denver.

And Don had come up through the Bureau in the budget process, which most of the people that was in that job had come up through that process. Don was kind of a new breed and an old breed. He came from the old school in Reclamation, because I believe Don Anderson was an engineer, but you know I really don't know that. But he came up through the whole budgetary process. But he's kind of the new breed in that he wasn't opposed to trying to change the organization to make it more efficient and more effective. He wasn't wedded to the way we had done things in the past, to try to continue to achieve things in the future. So in a sense, that's why I say he was kind of . . . from the old school but also wise enough to learn how to use the new school as well. I mean, he wasn't opposed to—a lot of the managers were *very* opposed to computers going on individuals' desks. He wasn't opposed to that if it

made people more efficient and effective and current in doing their jobs. That was a *lot* of the resistance in the early age in the computers was from managers and not from employees saying, "We are wasting our money by putting these computers on everybody's desks. We don't need all these computers." Maybe one computer and they can all share that computer, was kind of the concept.

Don was also the Assistant Commissioner for Administration, had a lot of contact with congressional people at that time, had a lot of influence on the Hill with the Appropriations Committee of course, and could get money put into programs sometimes, even if the current administration didn't want money in for that particular activity—he could get Congress to direct us to do things that maybe the administration didn't want us to do. So those were some of Don Anderson's (laughs) "strengths," so to speak, in the organization.

Storey: Do you know if he's still alive?

Hancock: Yes, and he lives in the Washington area somewhere. I've seen him on several occasions.

Storey: I *believe* I remember correctly that Darrell Webber as chief of that division, reported to ACER [Assistant Commissioner for Engineering and Research] rather than to ACA [Assistant Commissioner for Administration]. Do you happen to know anything about that transition?

Reporting to Assistant Commissioners

Hancock: It started out reporting, because it was two separate organizations. We had an organization for the engineering side, and then we had an organization for the administrative side of the house. When Darrell started that, and he got in charge of that organization and was the engineering side of the house that he was first in charge of, he was the person who combined the two into one: made the recommendation to combine the two into one, and he got appointed head of that, and at that time started reporting to the Assistant Commissioner for Administration. So you're right, it did start out he was reporting to that organization.

You know, I think Donald Duck¹¹ was there, but he wasn't in charge. I can't remember who was "chief engineer," so to speak when I went to Denver. That's how little communications we had in that whole office. My dealings were primarily with the administrative side of the house, and I can't remember . . . Bill . . . Gee! What the heck was his name? I can't remember his name.

Storey: It wasn't [Harold] Arthur¹² was it?

11. Mr. Duck had a long career with the Bureau of Reclamation as a construction engineer and participated in the Oral History Program. See, Donald (Don) J. Duck, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, in 1996, in Conifer, Colorado, edited by Brit Allan Storey., 2008, www.usbr.gov/history/oralhist.html.

12. Harold Arthur was Director, Office of Design and Construction (informally known as the Chief Engineer), 1972-1977, and participated in Reclamation's oral history program. See Harold G. Arthur, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior
(continued...)

Hancock: No. (pause) It may have been Arthur. It may have been Arthur. I was trying to think of the guy that was over the administrative side, our house out there.

Storey: Oh, the administrative side of the house, I don't know.

Hancock: It was Bill . . . He still lives in Denver. I can't think of his name. He and Bill Klostermeyer were great friends—in fact, he and Don were very good friends too, Don Anderson and . . . Gee, this is amazing, how you forget people's names. But most of my dealings were with kind of the administrative side of it, people who were reporting to Don Anderson, and they were providing support to the engineering side of the house in Denver. So I didn't have very much dealings with the engineering side of the house at all.

Storey: Was there an evolution in the type of personnel you hired into that division while you were the chief of it?

Bringing Diversity into Reclamation

Hancock: Um, a little bit of an evolution, but not a great deal. We tried to get away from hiring engineers like we had been doing in the past to do that. Although we still had a fair number of engineers on the staff, and I think there are probably still some in there, a lot of them in there, today. We did start, because the E&R Center at that time had dropped the "Stay in School" program where they were hiring primarily Hispanics and blacks to come in during the summer, and part-time, because they said they had too many problems with the kids, they weren't productive. And I kind of started that program back for the division. Found out that they just weren't getting good supervision, weren't getting *any* supervision. If you bring in high school kids, some of them from low income and poverty homes, you bring them into the work place, which is strange to them anyway, and you give them either no supervision or minimum supervision, you're going to have an awful lot of problems! I mean, that's just a given. I don't care what you do. If you bring those same kind of students in, and you give them *proper* supervision, they're going to be some of the best employees you have. And that's what we ended up doing. And then the E&R Center went back to that program, after we started bringing in blacks and Hispanics pretty successfully in the division. So we did that.

It was kind of interesting: I think I hired the first female Branch Chief. I had to as head of my operations. I'll never forget her. Her statement when she came on board, her secretary's position was vacant, and she said, "You guys, you always work real hard to get a pretty female secretary. I'm going to work equally as hard to get me a handsome male secretary." And she did! She hired her—first male secretary that I know of that was hired (chuckles) in the Bureau of Reclamation. But she ended up hiring a male secretary. So that was some of the unique things that happened in the Division from a personnel standpoint.

12. (...continued)
historian, Bureau of Reclamation, during 1994 and 1995, in Denver, Colorado, edited by Brit Allan Storey, 2010, www.usbr.gov/history/orallhist.html.

Personnel Issues

I had a real tough task in that division. I hired a branch chief from the Bureau of Land Management, and his name was Branston DiBrell, and he was a black. He did not work out at all. We hired him on a . . . Yeah, that's right, because Dennis Locke went up to work on a [payperst?] group, and we hired him on one-year temporary, because Dennis was only going to be up there for one year on [payperst?] and he was going to come back. The guy did really great for one year, under temporary. As soon as Dennis was made permanent, we made *him* permanent, and the office started going downhill from there. I ended up actually having to fire him. And that was probably one of the toughest personnel assignments. A person that I have hired *appeared* to have capabilities of doing the job, but I don't think he had the . . . morals to be a supervisor. Really a unique individual (laughs) may be the best way to put it—unique individual. Today he'd probably be prosecuted and maybe even sent to jail for sexual harassment if he was still in the work force.

Even in the 70s, when smoking was a pretty accepted way in American society, he did not like anybody who smoked. In fact, he had a very devious way of finding out during an interview whether you were a smoker or not. He would take an ashtray out of his desk drawer, or table drawer where he was interviewing and put it out and say, "Would you like to have a smoke?" And if you had a smoke, then you didn't get the job. If you said, "No, I don't care for one, but I am a smoker," or if you say, "No, I'm not a smoker," then you were still in the running for the job. He had a very kind way of trying to find out whether people smoked or not so he could discriminate against them if they smoked. He also, I don't know, had a . . .

END SIDE 2, TAPE 1. OCTOBER 25, 1993.

BEGIN SIDE 1, TAPE 2. OCTOBER 25, 1993.

Storey: This is Brit Allan Storey, interviewing Lawrence Hancock on October 25, 1993. This is tape two.

Hancock: It's amazing how you find out items. My wife was working at Western Area Power [Western Area Power Administration] at that time, and this fellow's secretary, who was a black female about our age, and we were around his age, her boyfriend worked with my wife at Western Area Power. And I guess this secretary was going on and telling her boyfriend about all this stuff that this guy was doing to her in the way of propositioning her to go spend the weekend in Vail with her if she wanted her rating to be more than satisfactory and maybe et cetera. And she wasn't telling anybody on the job, but she was telling her boyfriend this. Well, I don't know, I guess her boyfriend knew *of* me, and didn't know but knew me, so he ended up telling my wife. Well then it gets back to *me* at home. (laughs) It went around that whole process, and I finally had to go and talk to the secretary, and I asked her, "You know, I need to hear this from *you*. I can't hear this third or fourth hand." And she said, "Yeah, I didn't come to anybody with this because I felt that all it was going to do was make the circumstances worse. But I had to have *somebody* I could tell about this jerk and what he was doing and this whole process." And I said, "Well, it's up to you whether you want to file a sexual discrimination suit. I certainly can't do that. But based on

my discussions with you, I know that *I've* got to take some action as his supervisor."

And so I started taking action. That wasn't the only . . . I mean, sexual harassment, and the test to see if other people smoked or not during interviews, was just a few of the flaws that this guy had in terms of trying to run an organization.

That was some of the unique personnel experiences I had during that whole time frame. I could tell you, I was . . . It's interesting how . . . That was my first experience of hiring someone who the other agency, in my opinion, clearly knew that I was not getting a good employee, and I talked to people over there, *several* people at B-L-M [Bureau of Land Management] and they all gave him *real* high recommendations for the position. And I think they clearly knew that they were selling me a problem individual. And they wanted to sell that problem individual to someone else, that they were tired of dealing with him, because I understand he gave out several E-O complaints against B-L-M and other activities in his dealing with B-L-M. And they had always . . . I think they kind of knew they wanted to get rid of this guy. If this guy's really going away, go on over there and create some problems for somebody else.

Storey: Yeah. When you went back to Mid-Pacific as Assistant Regional Director for Programs, and you went to work with David Houston, you mentioned that he was younger than you. Could you tell me more about him, please?

David Houston

Hancock: Dave was very intelligent, a very quick study, probably worked as hard as anybody that I've ever worked with. I think Dennis worked longer, and maybe harder, but he didn't get as much achieved in the same time frame that Dave would do it. Dave was pretty astute about trying to run the government pretty much like your own business. He and I hit it off right away because we both said, "What is the criteria for making the decision?" The criteria for making a decision is, if this was *my* money, if I was investing *my* money in doing this particular activity, would I invest that money?, or would I *not* invest it?, in other words. If you had a financial decision to make, or whether you had a policy decision to make about how you're going to pursue a program, finances always came into play. You didn't want to make . . . whether you would expend or invest your money if it was your own business in that manner.

Dave was also very, very politically shrewd. In fact, Congressman [George] Miller, at least on one occasion, admitted that Dave had been more successful than he had in getting his way from legislation for the Central Valley Project, the . . . I can't remember the name of the legislation now, the C-O-A agreement, the Coordinating Operating Agreement that was passed while Dave was Regional Director and George Miller was out there. And George said he didn't take kindly to getting defeated in that manner, it would never happen again, a Reclamation employee would defeat him in his own back yard. And Dave worked *very* effectively with the Senate minority members and got the legislation framed more the way *he* wanted it than the way George Miller wanted it framed. So he took a lot of pride in it. That was one of the reasons they felt like his tenure in Reclamation was probably long enough. It was

time for him to move on and do something different, because it was a long struggle and battle over that, in that whole process.

Dave was probably a family person. He wanted to have family values. In fact, if you ever said, "Hey, I got to leave, there's a problem at home, or there's a problem in school," you never had to take time to explain, he'd just say "Go. We'll see you. Give me a call or whatever." Probably the other thing that will tell you a little bit about him, was that every employee that I've ever known that's left Reclamation, co-workers or their employees have a party or have a going-away ceremony on behalf of the employee that's leaving. And Dave said he would have none of that. He said that he was giving the employees a party, and that's what he did. All the people who reported to him, the top managers, when he left, he and his wife invited us to dinner at his expense, and it was the first time that any employee at Reclamation that I had been associated with had done that for the people who had worked and he claimed made him successful in his tenure there. People do that while they're there, but never when they leave.

I had traditionally did that when I was a Regional Director in Sacramento, and I did it when I was in Denver as head of that office. That . . . I did at Christmas, instead of having the office give a Christmas party, they'd still have their own office party, used to always carry out my branch chiefs for lunch. And then in California when I became Regional Director I had all the Assistant Regional Directors and a lot of the Division Chiefs—they'd either come to my house for a dinner or we'd go out for a dinner and I'd buy. That's not a tradition in Reclamation, and I felt I was getting S-E-S [Senior Executive Service] bonuses. The only reason I was getting those bonuses, at least when I was Regional Director, was because of the people in the region were doing a great job, not because of what Larry Hancock was doing. I felt this was at least a way of sharing part of that bonus with some of the people who had made me successful in getting those bonuses. And I think that's the same thing Dave felt, that when he was leaving, these were people he had grown friendships with, and also had made him successful, and he thought he should be giving a party, rather than the people giving *him* a party! So that kind of gives you kind of a feel for the man.

Management Development Program

He clearly hired me at a time when nobody else would hire me as an Assistant Regional Director in this organization. It was really kind of interesting in terms of my career, because while I was in Denver I went on the Management Development Program. Myself and Darrell Krull was the two that were selected to go into what's now called the S-E-S feeder program for the Department and we were in the first class. And we finished that training, and you're supposed to be able to get an S-E-S job, noncompetitively, unless you complete that job the same way it is today. Darrell never did get an S-E-S. He finally got frustrated and left and went with some private engineering firm, I believe—I kind of lost track of him since he did it. He was out of the Bismarck, North Dakota Office. And my certificate was for five years, and I never got an S-E-S job within that five-year time frame. And it was a little bit different than the way it is now. Now you're just kind of, you compete for the S-E-S training course, and you don't have a target position. And you can be put in *any* S-E-

S job. When we went through, they actually advertised Regional Directors' positions, and we competed for Regional Directors' positions, and when we finished the program, we could have been put in jobs that we could be put in Regional Directors' jobs, noncompetitively, because that's the job that we actually competed for in advance.

Well, I think I had two years—at that time they gave five-year certificates. I think they've reduced it now to about three-year certificates. And then if you don't get placed within that five years, you have to re-compete again. They just can't appoint you to the position. I couldn't even get hired as an *Assistant* R-D, on a lateral, let alone as an R-D! And *several* R-D jobs came open. Darrell and I were sitting there, and we could be appointed noncompetitively, and every time one would come open, I would call the Commissioner and say, "You realize that if you want me as Regional Director, I can be appointed noncompetitively; that you don't need to advertise this position. I've already competed for this position." And they always advertised. And at first I didn't apply, because I knew they didn't want me. If they advertised the job, they didn't want me. And then I got to the point I said, "To hell with it! They didn't select me on . . . I'm not going to give them the advantage of not having my name in the competitive thing."

So I just started submitting applications for them. And I can't remember which ones—I know the one in Boulder City came open during that time. I know the one in the Pacific Northwest came open during that time, and the one at Billings, [Montana] came open, and one in Sacramento, [California] came open at least once, and during that whole time I was never selected. Ah . . . I applied for the Assistant Regional Director's job in the Lower Colorado Region, I wasn't even selected for that one. I applied for the Assistant Regional Director's job in Rural Region and the Southwest Region. That one I was offered the job and I turned it down, because I didn't think I could work for the Regional Director at the time. And then . . . Lyman, I think his name was—I can't remember his first name, or [Robert] Weimer. And then one day I got a call from Dave Houston and he said, "Would you like to be my assistant R-D?" I said, "I don't know." He said, "Well, why don't you come out and let's do an interview and let's see." So I went to California, had an interview, and I got a release and he said, "Well, the job's yours if you want it." I said, "Well I can't tell you that I want it. I got to go back home and talk to . . . I didn't expect you to offer me the job while I was . . . (chuckles) I got to go back and talk to my family and see. We've been shopping around. I don't know whether she wants to come back to Sacramento or not. So I went back and talked to her. That's the way I ended up as the Assistant Regional Director out there. So that kind of . . .

I've tried to make it pretty . . . Impact on other people not getting treated like I did, I think, when I went through that—and Darrell Krullas well, Darrell did, went through that S-E-S development. I've tried through the Executive Management Group to impress that we should not put more people on the program than we can place. I've tried to impress that we should not put people in the program who we have no intention of placing for whatever reasons: they don't have the right experience, or we just don't think that they're suitable people to become senior executives in Reclamation. And it's better—still not perfect, but it's better.

Storey: The two Commissioners? I think there would have been two Commissioners who turned you down is that correct?

Hancock: Uh-huh.

Storey: Are you going to speculate on why they would not place you?

Apprehension about having a Black Regional Director

Hancock: Oh, I think it was a lot of apprehension on both of their parts about whether a black could be successful as an R-D in most of the western cities that Reclamation had jobs: Amarillo, Texas; Billings, Montana; Boise, Idaho; Boulder City, [Nevada]; Denver, [Colorado], and Sacramento, [California], we the ones. So you had probably three. I think they felt that, well, Denver maybe—a little shaky, but maybe Denver is an okay city, an okay region. Clearly Boulder City maybe, but Sacramento, California, probably the one place that's liberal. I think there were some concerns on acceptability within the organization. I don't know. I think they were a little bit concerned about my kind of lack of program experience. Like I said, I spent an awful lot of time of my career in data processing and information resources area. I had, although I had worked in Operations and Maintenance and project offices—worked in regional office, project office and Denver Office were all in different areas and different disciplines, at least I had that kind of overall experience. I don't know what it was. You know, you can't really speculate on that.

Storey: Yeah.

Hancock: It's hard to tell. I think they probably felt that they had a better candidate, that they . . . (brief interruption, tape turned off and on) You know, they may have just felt that they had better candidates. I know that when Dave Houston was a candidate, I put my application in for that one, and I'm sure that Broadbent just felt that Dave was a better candidate for the job than I was in that particular case; and some of the other ones, I'm not sure.

Storey: Anyhow, it's been real clear in your discussion that you've liked working with Mr. Houston, and you felt a good deal of camaraderie with him. For some of the other folks, with whom I have spoken, have pointed very directly at him as the reason that the reorganization in 1987 and 1988 didn't work. Could you give me your perspective on that?

David Houston and the '87 Reorganization

Hancock: (chuckles) Yes, indeed. That is the biggest bunch of crap I've ever heard, "because of Dave." First of all, Dave made his point very clear then on the reorganization when they were moving people from the regions to Denver, supposedly more of the work from a centralized perspective, because we couldn't afford to have people in the regions doing that work. That what he said was, on that one, and I remember him repeating this over and over and over and over to me: "Hey our region currently does a considerable amount of work by contract. We do not have staff to do our work

today. The work that I agreed to move to Denver was contract work. I am not moving any of the people to Denver, because if I do, I can't be successful as Regional Director."

He said, "I don't care what they tell you what I'm going to do, that is the bottom line: I'm not going to move my people from California to Denver when I can't be successful by moving them. I went in as Regional Director, Billy Martin¹³ made another run in again, and I told Billy Martin, 'You take these people, we'll give them to you. If you want to contract work, you can have it. We'd be more than happy to give you the contract. If you take these people, I can't be successful.'" I took the same position that Dave did on that particular issue. And because our region dealt so much with California and water rights and activities that we had to do, that if you didn't have people right there that you could pick up the phone, walk up the steps and ask a question about their activities, and you could go down and testify with your State Water Resource Control Board, I couldn't depend on getting in touch with people in Denver. That was *one* aspect of it. And that's why they blame Dave, because they said, "M-P [Mid-Pacific] Region never sent people to Denver when we were doing the reorganization."

The other aspect of it was, that "Dave was running Reclamation," and he may have been, but I can't think of a more capable person in running Reclamation. And I never got to know Dale Duval¹⁴ very good, because I didn't work with Dale that closely, but a few months. Although Dale was the Commissioner who really hired me as Regional Director, appointed me as Regional Director. Clearly Dale Duval and Jim Ziglar did not have a good working relationship. Jim Ziglar was the Assistant Secretary for Water and Science. So Jim Ziglar would not work with Dale Duval. The two people he worked with was Joe Hall and Dave Houston. And they clearly had more power, individually and probably collectively, than Dale Duval did when Dale was Commissioner, because if Joe or Dave didn't like a decision that was made, Dale Duval would get it reversed by going to Jim Ziglar to get it reversed. So yes. I mean, you can *blame* Dave for the reorganization not working, but you can also say that under the circumstances that we had, where you had an Assistant Secretary and a Commissioner that the Assistant Secretary wasn't going to let the Commissioner do it, then who's going to be in charge? It's either going to be Joe Hall or someone else in running Reclamation. I can *clearly* tell you, if I had a choice between Joe Hall and Dave Houston running Reclamation, my choice would be Dave Houston every day in the week, but not because I have any dislike for Joe, but clearly in my estimation, Dave Houston was a much more capable individual in running Reclamation than Joe Hall would have ever been.

13. Mr. Martin served as Regional Director of the Mid-Pacific Region, 1974-1981; Regional Director of the Great Plains Region, 1985-1988; Assistant Commissioner Resource Management, 1989-1990. For more information, see Billy E. Martin, *Oral History Interviews*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, from 1994 to 1996, in Sacramento, California, edited by Brit Allan Storey, 2010, www.usbr.gov/history/oralhist.html.

14. Dale Duvall served as Commissioner of the Bureau of Reclamation under the Reagan administration, 1985-1989. For more information, see Dale C. Duvall, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interview conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, January 26, 1993, in Washington, D.C., edited by Brit Allan Storey, www.usbr.gov/history/oralhist.html.

Storey: Where did Houston move on to?

Hancock: He went to work with Jim Ziglar for Drexel, Burnham, and Lambert when they both left in change of administration, as a commercial banker. And then when Drexel folded shortly after that, he went to Smith Barney's, and I think he's still working at Smith Barney.

Storey: In Sacramento?

Hancock: Uh-huh.

Storey: Is that where Ziglar is also?

Hancock: No, Ziglar is here in Washington, although Ziglar works out of New York.

Storey: Well, I appreciate your taking time, but unfortunately, we're out of time again. And I'd like to do another interview when I may be back this way, or if you have time in Denver, also, there's still a lot of things I'd like to ask, and what Assistant Regional Directors for programs do as opposed to what Regional Directors do, and you're in a *good* position to talk to me about that and those kinds of things.

As last time, I'd like to ask whether or not you are willing for the tapes and transcripts from this interview to be used by Reclamation employees and by non-Reclamation researchers.

Hancock: No, I want this one, keep it closed.

Storey: Okay, fine, thank you.

Hancock: Okay.

END SIDE 1, TAPE 2. OCTOBER 25, 1993.
BEGIN SIDE 1, TAPE 1. FEBRUARY 21, 1995.

Storey: This is Brit Allan Storey, senior historian of the Bureau of Reclamation, interviewing Lawrence F. Hancock, Regional Director of the Lower Colorado Region of the Bureau of Reclamation, in his offices in Boulder City, Nevada, on February 21, 1995, at about 3:30 in the afternoon. This is tape one.

According to my notes, we ought to talk about David Houston and your role as his Assistant Director. I've forgotten, did he select you as Assistant Regional Director?

Role as Assistant Regional Director under David Houston

Hancock: Yes, he did. He selected me in, I guess, 1984. I went back to Sacramento from Denver. He selected me as Assistant, but he told me up front that I was going to be his Deputy, because he wanted a Deputy so when he was gone there was some

continuity in the office. I wouldn't have the title of Deputy, but he was going to use me as his Deputy, so whenever he was gone, I was always acting on his behalf. He thought that gave the office more continuity than rotating it around to three different Assistant R-Ds, which we had at the time.

Old Dave was an interesting person to work with, very bright, very decisive, and probably a person that I learned an awful lot from. He treated the government as if his portion of the government was his own private corporation. He tried to manage it in that manner, which is basically what a lot of people are saying today that we ought to be doing. He always questioned that, "If this was my firm would I spend this money in this manner?" That was kind of his bottom-line assessment on issues.

Oh, we had some real tough issues at that time. We had the Kesterson Reservoir problem with the selenium and the deformities that had occurred, and shutting down the drains that led to Kesterson, which essentially took the drainage from a portion of the Westlands Irrigation District farmers, and then, of course, the clean-up of Kesterson was a very controversial issue before the State Water Resources Control Board and the government. So we had some tough issues.

They also had the Coordinating Operating Agreement that was executed, and that's how we actually operate the Central Valley Project, the State Water Resources Project, who's responsible for meeting the Bay/Delta¹⁵ water-quality standards, and how much water has to come from Oroville, versus how much comes from the C-V-P in order to do that. We had just gotten that portion of that negotiated and got Congress to ratify that legislation into an act.

Dave Houston Utilized Diversity

The other thing that I found unique about Dave, he surrounded himself with what people are calling diversity now. He had a black female on his staff who was an attorney, who wasn't practicing law for him, but was just kind of a special assistant to him. Then he had myself, who was a black male. He had some white females that he had a lot of confidence in using. Of course, the traditional white male staff. It wasn't uncommon for us as a group to discuss strategies about who would make the best witness from an ethnic point of view in front of different bodies, whether it was in front of the state legislature, or whether it was in front of Congress, or whether it was before the State Water Resources Control Board, or whether it was at a public meeting. He felt that all of us were pretty capable and confident people to do the job, and if one gender or one racial background had a less likelihood of being antagonistic or generating a lot of controversy, we made selections to send them.

15. Referring to the delta of the San Joaquin and Sacramento rivers—often referred to as the Bay-Delta. This is located on the northeast quadrant of San Francisco Bay (San Pablo Bay). The water from the Delta exits to San Pablo Bay through the Carquinez Straits. "The Bay Delta Conservation Plan (BDCP) is a part of California's overall water management portfolio. It is being developed as a 50-year habitat conservation plan with the goals of restoring the Sacramento-San Joaquin Delta ecosystem and securing California water supplies. The BDCP would secure California's water supply by building new water delivery infrastructure and operating the system to improve the ecological health of the Delta. The BDCP also would restore or protect approximately 150,000 acres of habitat to address the Delta's environmental challenges." See baydeltaconservationplan.com (Accessed June 2014).

In many occasions we sent white females, because the body that they were dealing with were primarily old white males, and it's pretty tough for a white male to beat up on a young white female, in that day and time. It just wasn't traditional, that they weren't as controversial or as confrontational with females during that time, so it worked out to our advantage. We sat around and we made deliberate decisions on that basis. So he was using diversity, cultural diversity, long before it became a very fashionable kind of thing in government.

He's the only boss that I've ever had to have that kind of confidence in his people that he could sit around and talk about those kinds of issues, and actually select someone saying, "I know you all can do a good job, but I think that Susan Hoffman will get less resistance because she's a white female," or, "Larry Hancock will get less resistance because he's kind of the senior statesman and he happens to be black," kind of presentation before this body. That I thought it was probably a unique experience, and I haven't run across anyone else who's open enough to make those kind of deliberate discussions or even deliberate decisions about how they use the diversity that they have on their staff. This was using, of course, ethnic and cultural diversity, but we all know that we have different kinds of diversity. Even white males are diverse. So even if it's all white males sitting around the table, talking about the strengths and weaknesses that some of them may take to a particular forum is still sometimes beneficial to do that. Let people represent you.

Storey: And it's tough for them to do, I'll bet, even in an undiverse audience.

Hancock: That's right. It is. Very tough. Dave was probably a workaholic, and I understand he's doing it now, even in private industry. The guy worked hard and long, and when he played, he played just as hard, and had just as much fun playing as he did working, which is kind of a unique thing. But he did, he worked very hard for the taxpayers. He earned his money from the taxpayers in the time that he spent with the government.

I don't know what else to talk about during that era.

Storey: Let's talk about the way people at Reclamation responded to David Houston being appointed Regional Director, when he had no prior Reclamation experience, and he was converted from a political appointment.

Houston's Lack of Reclamation Experience

Hancock: Yeah, that was interesting. Initially, it was not accepted very well at all. I think everybody thought, "Oh, this is crazy. You shouldn't do that." He was probably the most influential R-D we've had in an awful long time. I know during the era when he was R-D, and with all the other R-Ds, he was more influential both internally and externally. I think that has something to do with his quick study habits and his ability to understand issues and to focus on issues, and really come up with some creative solutions to some difficult problems.

But he was not accepted very well, and I don't think he was ever accepted

outside of the region very well, because everybody felt that he used his influence that he had in the Department from his previous time in the Department and his influence that he had in the Commissioner's Office, having worked with [Robert N.] Broadbent¹⁶ in Nevada, and then worked with Broadbent both at Reclamation and in the Department, to get his will. So he was kind of the maverick of the R-Ds. He was never accepted totally. I think they all respected him and watched him very close, but I don't think he was ever trusted by the other R-Ds in the sense of as a member of the team. They saw him as kind of the maverick of the team, but a very influential maverick that none of them wanted to take on and do battle with during this process.

But I think in the region he was totally accepted. He certainly had the respect of all the people in the region. He knew more about the issues after three months there than a lot of people who'd been there years, at least knew as much as they did in a very short period of time. So he got their respect very quickly in the process.

Houston's Management Style

He did have one little quirk in terms of his management style. He would ask for a briefing then he would do all the talking at the briefing. When I went out there, I was in a couple of those sessions, and I finally pulled him aside and said, "Dave, I don't understand. You asked for a briefing and you do all the talking. How are you getting briefed? How are you learning anything?" He said, "Well, if I say anything wrong, they'll certainly correct me." I said, "Bullshit." (laughter) "You say anything wrong, they'll sit there and say, 'Well, he said it, I didn't.'"

So I gave him a little counsel that when you ask for a briefing, he should get the briefing, and then if he wanted to recap what he thought he heard and what he had learned during the briefing at the end, then feel free to do that, and be sure that he tell the staff up front that, "If I say something that's wrong, don't let me walk out of here thinking that I said something right. It's your responsibility to correct me in this process, because I'm going to use this as I go outside and represent this organization, and I don't want to be using erroneous information or wrong data as I go out, and it's your responsibilities in these briefings to make sure that I understand what you're telling me, while you're briefing me on this, so that I represent the agency very well."

Then it worked very good. He did, he took that advice and he used it very effectively, but he was just under the impression that when he went to those briefings and he gave them his speech, that if no one said anything, then he was right on the mark, and if he said anything wrong, they would surely correct him. I said, "No, that's not the way it works." I said, "When the boss talks, people listen." The staff told me afterwards, they said, "We wondered why he changed his briefing posture." I said, "Yeah, I talked to him about that. I said it's kind of hard to learn when you've got your lips flapping. Sometimes you have to do like [H.] Ross Perot says and be all ears and listen." (laughter)

16. Robert N. Broadbent served as Commissioner of the Bureau of Reclamation under the Reagan administration, 1981-1984.

Storey: Well, in his case, he's certainly all ears. (laughter)

Hancock: That's right. It was interesting when Dave left. I think people in the region were very sad to see Dave leave. It was also interesting that he's the first person that I've ever worked for that didn't let anyone throw a party for him when he was leaving, that he actually threw a party and invited people and paid for it himself, and said, "This is your reward for allowing me to work with you over these years. I've really appreciated this. I'm the one who should be rewarding you, rather than you rewarding me for me leaving." I thought that was really a touch of class that he would do that.

He was also probably the only person that I've worked for in Reclamation, although we're kind of a close family-knit organization, that kind of required—he didn't say he required, but everybody understood—he kind of required his top executives to socialize after work, and their spouses. I mean, he would never come out and say, "You're required." If you got an invitation, you probably knew that you ought to try to make it, and it built a really close-knit team, which was kind of surprising. So we ended up socializing together and becoming very good friends, the top group. In fact, we played poker together, the men played poker together, and we'd have potluck dinners and stuff, the wives included, and the whole bit. So it was more than just associates work. But he still never let that friendship interfere with his expectations for you on the job, and in some sense, it got you to work an awful lot harder for him than you would maybe for another boss, because now this guy wasn't just your boss, he was also your friend, and you knew his wife, you knew his kids, you associated with him. It built more loyalty to him, as well as to the organization in that whole process. I'm not a big advocator of that kind of management style, but it sure as hell is effective if you can get people to do that without feeling—some people nowadays would probably rebel in that whole scene. But then again, maybe they wouldn't. I mean, we went fishing together and all kinds of fun things. That's why I know that he played as hard as he worked. When he went to play, hell, he went to play, he didn't go to work. (laughter) He would play real hard and have fun, but when he came back in that door to go to work, he went to work. I mean, he worked hard.

Houston Couldn't Work for the Bush Administration

So I think that kind of tells you a little bit about how he was. I believe that he knew that—well, he told me this—that the Bush administration, from his perspective, philosophically he wouldn't have agreed with the Bush administration. He was closer to the Reagan administration, and that's why he elected to leave, that he thought that he would be in constant conflict with the Bush administration, and he thought it best for him to get out before that would occur. Essentially, he was a politically appointed Regional Director that left when his administration left. He had a tidy little career, and could have stayed if he had wanted to, but decided that he probably could not work for the Bush administration during that whole process, which I thought was kind of a unique situation.

So that's kind of how he was accepted or not accepted, depending on where you were in the organization. I know that everybody in the Bureau thought that the Mid-Pacific Region got special treatment in terms of budgetary considerations during

Houston's years. They got special consideration probably for their issues being addressed at the Department and other places. I know that Congressman Miller was really P-O'ed at Mr. Houston for getting that Coordinating Operating Agreement passed the way that he got it passed, because, in fact, he told me that, Congressman Miller told me that when I became R-D that don't believe that he was ever going to lose another battle to the Bureau of Reclamation and he lost that one to Dave Houston. Dave went around him on the Senate side. I think that was the last time that the Senate was probably controlled by the Republicans, I think, during that.

Storey: May have been, yes.

Hancock: During that time frame. He went to the Republican side and got the bill, got changes made in it after it came out of the House side, that Congressman Miller really didn't like. Congressman Miller was really upset that he got defeated by some bureaucrat, so to speak, in Sacramento, California.

So that kind of gets me through, I don't know, with Dave. He did, he used his top staff. He used his attorneys, the Solicitor's Office, to help him put together the program that he thought was an effective program. As he moved through the process, he had something that a lot of Regional Directors don't have; he had the support of both Commissioner and the Assistant Secretary at the time. In fact, he went to work for the last Assistant Secretary before he left, was Jim Ziglar. Jim and he went back to put his commercial banking industry together. Then I got appointed for the Regional Director's job.

Storey: Who selected you?

Different Commissioners

Hancock: Dale Duvall selected me, actually approved me in full, the Regional Director's position.

Storey: Had he been the Commissioner when you were the assistant R-D?

Hancock: Yes, he had been the Commissioner. Under the Reagan administration he thought that he would stay on as well, but he didn't. He did demand a job. I think he went to the Veterans Administration.

Storey: Yes, he did.

Hancock: But he thought he would stay on as Commissioner, but that's when—

Storey: Dennis [Underwood] came.

Hancock: —Dennis came in. But I think—wasn't there a career—

Storey: Joe Hall was acting.

Hancock: Right, Joe Hall went back and acted until Dennis was confirmed and came on board. That's right. So Dale selected me and went on about his way.

Becoming Deputy Commissioner

Then as Regional Director, I found out how different it was than being Assistant Regional Director, or Deputy Regional Director, because when you have questions and you can walk across the hall or right next door and ask the guy what does he want to do, here's some alternatives, which one of these alternatives do you want to take, they're the ones who are making the decisions, and then all of a sudden there's no one for me to walk across the hall to and ask that advice of people coming to me and saying, "Here are your alternatives. What do you want to do?" I'm looking around saying, "Well, wait a minute, let me go consult with the R-D." They say, "Well, you are the R-D." I said, "Oh, okay." (laughter) So it's a little bit different. But you adjust and you begin to go through the process and be able to make the decisions.

I was having a lot of fun in California as Assistant R-D, and Dennis Underwood decided that he needed a Deputy. I really like Dennis. Dennis was probably, as far as—I don't know how you put it—likeable people—was probably one of the most likeable people that I ever worked for. Dennis was just a real nice guy in all ways. He was trying to get someone to come to Washington to be his Deputy, and he couldn't get Joe Hall to come to Washington to be his Deputy. I called Dennis, and I don't know what made me call Dennis. I really called him to tell him that I thought that he shouldn't give Joe Hall the choice. He just should just say, "Joe, your job is now in Washington, and if you don't report to Washington in thirty days, or whatever the rules say, that you have made up your mind, you no longer have a job." We got to talking about that, and Dennis was too nice of a guy to do that. I said, "Well, if you want me to be your Deputy," I said, "I don't want to come to Washington, but if you want me to be your Deputy, and you can't get anybody else, I'll be willing to come to Washington to be your Deputy."

Storey: Volunteerism.

Hancock: That was a mistake. That was an absolute mistake, because I figured with California, with all the controversial issues we were having at that time, that Dennis wasn't going to pull me out of in the Mid-Pacific Region of the Northern California area to come back. I didn't know that Roger Patterson, almost on the same day, had a similar conversation with Dennis.

Storey: Really.

Hancock: Yeah. But he volunteered to go anywhere else. In other words, if someone else would come to Washington, he would go to fill in for them. Roger and I did not talk to each other before this. So Dennis made the decision that he was going to ask me to come to Washington, and he was going to send Roger from Billings to Sacramento, and that way he would have a senior person in Sacramento. He wouldn't be hiring a new R-D to go out and learn, at least had some experience in another region to go out

and head up that region, and then Roger came in [from] Billings. So that's how that kind of musical chairs took place, because Joe Hall refused to go and Dennis didn't make him go, and so I went back to be Dennis's Deputy.

That was a time when Don Glaser really wanted to be his Deputy. Dennis didn't want him to be his Deputy. So that's when Don and Dennis kind of—I don't know what brought about that kind of—because they were very close there for a while, but something in Dennis's mind kind of separated Don and him from their close relationship, in my opinion, and that's when he sent Don to Denver to be, I guess, an understudy, so to speak, to be there for when Joe left. Joe Hall left to assume the Deputy role in Denver.

Storey: Was Glaser already in Washington at that point?

Hancock: Glaser was then the Assistant Commissioner for—yeah, he was Assistant Commissioner in the job that Austin Burke¹⁷ came back there in. Well, it was a little bit different job than that. I don't know. I can't remember what it was, but it was Assistant Commissioner for Administration or something like that, which Don was. Yeah, Don came in there from the Great Plains Region.

Storey: Yes, from Billings.

Hancock: Billings, and that job. And hadn't been there, maybe he'd been there maybe a couple of years. But his family wanted to stay and he wanted to stay. I think he was really surprised when Dennis asked me to come, and then I think Don really wanted to leave after he found out that I was coming to be his Deputy, because then he knew he was going to have to work for me if he stayed there, and he felt that that was overkill. Don felt that that would be kind of overkill with the key staff there, so he went out. That's when Austin then came to Washington from Denver. So Austin Burke came to be Assistant Commissioner.

Storey: That would have been about when?

Hancock: It was '91. Let's see. I went back in like August, and that was September, October of '91.

Storey: That Glaser then moved to Denver, you mean?

Hancock: Moved then to Denver, yeah. There was a little overlap. Don stayed back there working on some special projects for at least one or two months after I actually moved to Washington. Then he came out. So that was kind of the start of my Washington tenure.

17. Mr. Burke served as Assistant Commissioner Program, Budget, and Liaison, 1991-1994 and became Director of Program Analysis in 1995. For more information, see J. Austin Burke, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, from 1993 to 1997, in Denver, Colorado, edited by Brit Allan Storey, 2008, www.usbr.gov/history/oralhist.html.

Storey: Before we get into that, though, excuse me. Let's talk about Dennis Underwood. How long had you known him, and was it just as Regional Director and Commissioner, or was there another relationship?

Commissioner Dennis Underwood

Hancock: No, that was the only time that I had known him, just as Regional Director. When he came on as Commissioner, I met Dennis for the first time, although he was in California, he was in Southern California working on Colorado River. Of course, I was working in the northern part of the state. Well, we had some people that we knew in common, like Dave Kennedy, who's the director of Water Resources in California, and some people that worked at Metropolitan [Water District] Dennis used to—I think Dennis, in the early part of his career, I know he worked for the Department of Water Resources, but I think he also worked for Metropolitan as well, may have, or he knew some people that worked. So we had some mutual friends, or mutual associates, that knew both he and I, but we had never met, that I know about, until he became Commissioner. So, no, there wasn't any relationship.

Dennis is just a down-to-earth person that I thought seemed to know where he was going. In fact, my understanding, and I don't know this for a fact, is that the Commissioner's job was really between Dennis Underwood and myself. I got a call on one of my trips, when I was Regional Director in Sacramento, back to Washington, asked me to submit a résumé to the White House. I said, "For what purpose?" They said, "To be considered for Commissioner." So I did. I submitted my résumé to the White House, and I was never interviewed—

END SIDE 1, TAPE 1. FEBRUARY 21, 1995.

BEGIN SIDE 2, TAPE 1. FEBRUARY 21, 1995.

Storey: You were saying that you submitted an interview to the White House for the Commissioner's job but you were never interviewed, I think.

Considered for Commissioner

Hancock: Not interviewed. I submitted a résumé, but I was never interviewed. In my understanding, it came down to a selection between—maybe I wasn't interviewed because of my long Federal career—it came down to a selection between Dennis and I, although nobody, and I do seem to remember that Dale Duvall got really upset with me because he heard that I had submitted, because he was still there at one time trying to remain Commissioner, and he had heard that I had submitted a résumé to the White House, and I said, "Yes, I did, but it was at the request of the White House." I said, "I didn't solicit the Commissioner's job. Someone just called one day," in fact, they talked to his secretary, Brenda Pearson [phonetic], and asked her to have me call the White House. I thought, "Well, gee, I'm really in big trouble now, the White House wants me to call." And it was just a staff person over there who said that, "Your name has come up as one of the people that we're interested in for Commissioner. We need to see your résumé. Send us a very short—" They didn't want any more than one page. I mean, it wasn't how you give your life history. It was a one-page résumé

that I sent to the White House. Probably about a year later I got a notice back thanking me for my résumé that I sent in. But that was the extent of my communications with them. Dale Duvall just believed that I was trying my best to take his job. I said, "I hadn't even thought about the Commissioner."

I believe that Dave Houston and Jim Ziglar had something to do with that request, because they were both Republicans, and both of them kind of well contacted in the Republican Party, and they probably said, "If you want a good person for the job, you ought to look at Larry Hancock." I think that's how the call came about. It was probably as a favor to probably Ziglar more than Houston, because Ziglar was probably a little closer connected than Houston was into that administration. None of them had never said anything to me about it, but I'm pretty sure that that's probably the way that came about.

Working for Commissioner Underwood

When Dennis was Commissioner, he came out to California on several occasions, of course, when I was Regional Rirector, and we were taking him around, so I was taking him around along with some lady from Fish and Wildlife, I think she was the Assistant Secretary, showing them some of the wildlife refuges, some of the water needs of all the wildlife refuges. We were coming back to the hotel. We had a van. They got out to go. Dennis was riding in the front and I was in the back with this lady and some other people. We all got out of the van and we were going into the hotel that they were staying at, and I was going to get back in the van. I thought Dennis had gotten out of the van. He was standing there talking to the driver. I [unclear] the door, the sliding door, I closed the sliding door on his hand.

Storey: Oh, my.

Hancock: I mean, and it wasn't just like where I kind of caught a glimpse. I didn't see his hand. I just was slinging that door closed, and I mean, blood shot everywhere.

Storey: Oh, my.

Hancock: He's a tough guy. He wrapped it up and got some ice and went on about his business. So maybe that's why I felt guilty and went to Washington. If you slam your boss's hand in a sliding door in a van, maybe you think you have to repay him by back by moving to Washington. Everybody teased me and said that's why I went to Washington. Said Dennis called me up and said, "You have to come to Washington or I'm going to fire you after slamming my hand in the door," but that never happened.

Storey: Well, there are a lot of us who don't want to go to Washington, for sure. (laughter)

Hancock: That's right. Nope, no relationship with Dennis. No previous relationship with him at all. I think he and I just kind of hit it off. I really enjoyed working for Dennis. He was a kind of frustrating guy to work for. I mean, it was really tough to get Dennis to make a decision, and a lot of them he never did make. He was a perfectionist in a sense, which is not to be critical, but he wanted everything to be perfect, he wanted to

look at all of the alternatives and all of the options. He wanted input from everybody that might even dream of giving him input on issues before he would make a decision. So from that perspective, he was somewhat frustrating. You don't get a sense of that when you're 3,000 miles away from your boss, but when you're next door to him, you get a better sense of their decision-making skills, or whatever, responsibility, or whatever you want to call it, but their methods that they go through in making decisions. When you're 3,000 miles away, you don't know whether they sent an issue back to the staff, and the staff are the ones who are kind of taking their time to get him the information, or whether he's looking at it himself, and that kind of thing, from that perspective.

The other thing, I gave Dennis some advice, he didn't accept it, and I don't know why. Dennis truly wanted career people around him, because he wanted to leave the institution with the capability to be successful when he left. He thought that if he used career people, they would have a greater chance of being successful than if he used political people. My theory is that you have to use both if you're going to be politically appointed, but there's certain agenda items that you want to make sure that you've got a political person kind of being the watchdog on, making sure that the career people are doing it at your pace, and doing it the way you want it done. Then there's the other kinds of activities that it may be fine to turn over to career people, because they're not necessarily important in your agenda.

Dennis also wanted to do everything. He could never make a distinction between water conservation and modernizing their facilities. If you say, "I want you to rank these things that you want us to do from one to fifty, or one to one hundred, or one to ten," Dennis would have had a tough time ranking issues. He would say, "We can do them all." He wanted them all done, and what I tried to get him to see was that his tenure as Commissioner was not indefinite, so you couldn't get everything done that you wanted to do, so you had to pick and choose those items that you wanted to say that you achieved while you were Commissioner, "I actually made a difference on these five issues," or these ten issues, or some reasonable number of issues that he felt was important to the agency and could make a difference in terms of turning the agency around.

I could never get him to focus on that, what the outcome was, the *Strategic Plan*, which was kind of everything that Reclamation has done, everything they'll ever dream of doing, and the hope that it is a great venue of everything that water resources is all about in the western part of the United States. But in terms of putting direction to the staff to say, "The boss believes that water conservation is more important than building more irrigation facilities," he never could give you that. He never did give us that kind of guidance or leadership. That was probably Dennis biggest weakness.

The people in Reclamation, in my opinion, loved Dennis Underwood. If you go around to any region, ask any employee who's the best Commissioner they had during their watch, I can tell you without a doubt, Dennis Underwood will come out to be heads and shoulders among any of them we've had recently. They'll all remember him, and they'll all say he was great. He visited every facility we had, probably met every employee that worked for the Bureau, and never really carried any

bad news to them. So he's the greatest, and especially in California. I know that for a fact. I don't know how people over here—I bet it wouldn't be very much different over here than it would be in California, because he was out and about with the people. But it's interesting.

Department of the Interior Interference

Also, I think some of his ineffectiveness came because of the Department and John Sayre. Not John, John's great. I love John dearly. Probably when he became Assistant Secretary, though, he didn't have the energy for the job, and he didn't have an opportunity to select his own people. See, that's what Betsy, the Assistant Secretary now, Betsy Rieke, insisted on being able to get her own people. When John came in, Secretary Lujan, he got his people from Secretary Lujan. Harland Watson was Lujan's Science Advisor or something when he was over on the Hill. Harland Watson had a closer relationship with Lujan than John Sayre did. So there was always, I don't know, I don't want to call it friction, but there was always differences between Harland and John. Can you imagine working for John Sayre and having Harland Watson his Deputy, and when John's there, you get one answer, and when Harlin's there, you get another answer that's 180 degrees different? Well, that would be pretty damn confusing in terms of which way you ought to go on issues.

I think it happened an awful lot in this administration than our previous administration. That was probably complicated Dennis's decision-making purpose. If he wanted to make a decision, he would go down and talk to John, and John would say, "Yeah, that's okay." But he sent it down to get it approved, and Harland wouldn't approve it, so it just kind of thrashed around. So I guess he kind of maybe said, "Why the hell send them down there? Even when I decide what I want to do and I send it down, I can't get the Deputy and the Assistant Secretary to agree, so I can never get it out of that organization," because Harland would just bury it until he got around to dealing with John and Dennis with the issues, so it never really got any action, unless it was something that was really pressing. So the dynamics at that time wasn't very good, especially in the Assistant Secretary's Office, for Reclamation issues.

We had, of course, Joe Hunter [phonetic] down there who was as bad at losing things as Dennis was as not making decisions. He could keep things on his desk for months and months and months and months, and then all of a sudden it disappeared. You don't know where it went.

Storey: Hunter was where, in the Assistant Secretary's Office?

Hancock: He started out in Reclamation in a job that Dave Reynolds was in in the public affairs, and then he went down to the Assistant Secretary's Office as one of John's Deputy Assistant Secretaries. Harland was the Principal Deputy Assistant Secretary, and Joe Hunter was just a Deputy Assistant Secretary. Yeah. So I think that was kind of frustrating to Dennis. And Dennis probably wasn't a very good politician. I don't know whether that's a criticism.

Storey: Or a compliment. (laughter)

Underwood Wasn't Political

Hancock: He felt that if you were doing the right thing, you should prevail. That was his thing. He said, "Don't worry about the politics, just do the right things and you will prevail." So he got very frustrated with O-M-B [Office of Management and Budget] on many occasions about what he was going to testify, how his testimony was going to look, when he had to give testimony over on the Hill, and get cleared through O-M-B. He didn't know how to work the system to get what he wanted. He just argued with them, and sometimes that didn't work, and he didn't know how to work up, stop arguing with the staff, and elevate it up and say, "Look, your staff people are just jerks. I'm not going to deal with them anymore. I need to elevate this thing up here. You need to get familiar with the issues." That was probably Dennis's only weakness. I mean, the guy was smart, intelligent, but he didn't necessarily even want to play the political games, and I don't know whether he wouldn't make a decision, or whether he felt that he couldn't. If he made a decision, he could never get it implemented because of all the other turmoil.

We dealt with Animas-La Plata¹⁸ back and forth over and over what we were going to do on that one. We dealt with the Central Valley Project, and finally we got legislation on that one. Those things were around long before we got the legislation. Oh, we had two or three other really hot issues when Dennis was there, and he really didn't get decisive. They were tough issues, and there weren't any clear, right thing to do. So that may have caused some of his delay, too. I mean, it just wasn't something that you say, "Oh, no, this is right and that's wrong." It was cloudy enough issues, I mean, even Animus today. Hell, who knows whether we ought to build that project and whether we ought to do another environmental study on it. It's just that kind of issue. We know that there's some people out there who think we ought to move forward, but there's also a lot of segment of people out there who think we ought to never look at it again, we ought to bury it so deep and forget about it.

So when you've got that kind of conflict going on, maybe that's the kind of decisions that he didn't want to be very decisive on. And maybe looking at it in retrospect, he probably did the right thing just hanging on to them and let the new administration deal with them. It would have been interesting if Bush had gotten re-elected, though. (laughter)

Storey: Yes. Do you remember what any of the other issues were?

Issues Encountered While Deputy Commissioner

Hancock: Let's see. We had Animus, we had—oh, yeah, the C-A-P [Central Arizona Project] repayment issue, whether to put them into repayment or not. We had issues on—I'm trying to think. Delores [Project]? Was Delores one? No, Delores wasn't.

18. Located in southwest Colorado, Reclamation designed the Animas-La Plata Project to develop water from the Animas and La Plata rivers to provide 118,100 acre feet of irrigation water and 80,100 acre feet for municipal and industrial purposes. The project has only been partially completed. For more information, see Jedediah S. Rogers, "Animas-La Plata Project," Denver: Bureau of Reclamation History Program, 2013, www.usbr.gov/history/projhist.html.

Oh, the issue on the C-V-P issues, the Bay/Delta, standards, we had the whole thing in Cal Central Valley, the legislation that they were drafting or trying to draft, that they finally–

Storey: What's that, [Pub. L.] 102-575?

Hancock: 102-575 that they finally drafted.¹⁹ Then they put the Christmas tree on it. They thought that they were going to be able to get President Bush to veto the bill. Well, that backfired, because they had all those other provisions for the western states that everybody wanted the bill to pass in the West but California. Even if Bush knew he wasn't going to win California, but he couldn't afford to veto a bill that had all these items in there for Utah and Wyoming and Arizona and all the other states, because then he may have hurt his chances in any of those western states. As it turned out, it didn't matter. That bill wasn't going to make a difference. He didn't win any of them anyway, and he signed the bill into law. He probably could have vetoed it and done just as well or maybe better than what he did ultimately. Of course, the rationale at the time was that he didn't want to veto that bill. It had too many goodies in it for too many western states, and all it was going to do was to make a few people in California pleased that he would veto the bill, and he wasn't going to win California anyway. They had almost given up on California at that point, when the bill was going through.

I'm trying to think of some of the other issues. We had issues in this region in terms of the C-A-P. Of course, we had the salmon issue up in the Pacific Northwest. There wasn't very many issues in the Great Plains that we were dealing–oh, yeah, we were dealing with–gee, I can't think of the name of the recreation area up there.

Storey: Canyon Ferry, maybe?

Hancock: Canyon Ferry [Dam].²⁰ We were dealing with Canyon Ferry.

Storey: What was the issue there, do you remember, at this remove?

Hancock: The director for B-L-M [Bureau of Land Management] wanted us to turn Canyon Ferry over to B-L-M. They were going to pay the state to manage it, or we were going to get Federal money, all Federal money, to take care of the recreation on Canyon Ferry. You see, that program called for cost-share, and if they got it to B-L-M, B-L-M could get appropriated dollars for their recreation, they could get all the appropriated dollars to do it. The thing was for Reclamation to turn that whole thing over to B-L-M so the state of Montana then wouldn't have to put up any of the costs for that. Cy Jamison was promoting that really heavy and hard, and he was director of

19. Public Law 102-575, the Reclamation Projects Authorization and Adjustment Act of 1992, became law October 30, 1992. The act contained numerous titles, each of which is given a separate name. Title 34 of the act is the Central Valley Project Improvement Act or CVPIA.

20. Constructed in 1954, 17 mile northeast of Helena, Montana, Canyon Ferry Dam on the Missouri River contributes Pick-Sloan Missouri Basin Program power production and irrigation development to 155,600 acres. For more information, see Eric E. Stein, "Canyon Ferry Project: Pick-Sloan Missouri Basin Program," Denver: Bureau of Reclamation History Program, 1994, www.usbr.gov/history/projhist.html.

the B-L-M.

What else did we have that was hot? Let's see. Colorado, of course, because we were dealing with completion on the Central Utah Project and how that should be, and that was part of 102-575. We were dealing with Glen Canyon [Dam], the E-I-S [Environmental Impact Statement], and finishing up that and the interim operating criteria for Glen Canyon.

So there were some really tough issues, and having a Democratic Congress, it was really tough, because whatever you did, they were going to take opposition to it. They didn't care whether they like it or not, they were going to take opposition to it because it was a different party, and that's just the way it was.

I think those were probably the major issues that we were dealing with later on in the administration. Oh, yeah, we had our plate full during that time. Some of them are still around. Glen Canyon is getting a little closer to getting a Record of Decision, but it's still on the plate today. Of course, Animus is still on the plate. The C-V-P, I guess they passed the legislation, so that one's all right, but the Central Arizona Project is still on the plate, still being negotiated today. I don't know whether they've got any agreement on Canyon Ferry. I've kind of lost track on that one, but the last when I was in Washington, that one wasn't even resolved six, seven months ago. So none of them have really had any—at least, though, on Animus a decision was made that we were going to go supplement the E-I-S, and we were going about doing that, and Dan Beard's statement that we're going to build. The law says that we're going to build Animus and we're going to do what we have to do to try to do that. Of course, if we get stopped, we get stopped by litigation, but we're going to pursue that vigorously. That was part of his confirmation bargaining, that he came out with that positive support for Animus.

I'm trying to think about the other issues. Most of them are still around, and we're coming close on the Central Arizona Project, trying to get that one negotiated, and we're coming close on the—well, we got the Central Valley Project done. I'm sure they've got Canyon Ferry coming closer. So most of them are getting resolved, but it just takes time. That's the whole thing. But we've got a whole lot of new issues now, so it will be interesting.

Storey: How would you characterize the change in your interests and responsibilities when you moved from Assistant Regional Director, to Regional Director, to Commissioner? Did I ask that question clearly?

Levels of Responsibilities

Hancock: Yeah. Let me see. Probably since I was Assistant Regional Director kind of acting as Dan's Deputy, my—

Storey: As Dave's Deputy.

Hancock: As Dave's, yeah, as Dave's Deputy, my focus was internal in making sure that the

internal organization functions smoothly and got the necessary information for Dave to do the external kinds of activities, making sure that the staff was doing the right things and running as efficiently and as effectively as they could do them. I got a little bit of external exposure. I represented the organization externally, but my primary focus was to make sure that the region ran well. Dave didn't want to run the region per se internally, so he turned that internal mechanism over.

Of course, then when you become R-D, it's just reversed. You've got to then focus externally and have someone else focus internally for you. So that's probably a major difference. And you also help staff. When you're Deputy, you help staff focus on whether you're providing the decision-maker with all the options that are available to him. You can ask a lot of questions about, have you really looked at all the alternatives? Is there some other alternatives that we need to consider before we make a recommendation or before we give him these alternatives, to see what he wants us to do, kind of thing. When you're a Regional Director, you don't have time to do that. You're basically at the mercy of your staff, so you've got to have someone internally kind of making sure that you're doing it.

Of course, then when you become Deputy Commissioner, you almost go back to the same thing you were doing as the Assistant Regional Director, except your base is broader. Instead of one region, you've got all five regions that you've got to look at and making sure that they're giving the Commissioner the appropriate information to assist him in making the right decision, but you're not so much worrying about the internal organization. You're mostly making sure that the staff follow through on assignments, that they're getting information in a timely manner, that they at least will speak up and say, "I can't do this in this amount of time. If you want this done in this amount of time, we're going to have to give you a much smaller slice of the apple. We can't give you the whole apple in three weeks. If you want the whole apple, it's going to take at least nine months for us to give you the whole apple. We can give you a slice of apple in three weeks." Sometimes staff are not willing to do that.

It's amazing to me how people won't protect themselves. They'll walk out there letting the boss think they can do all of this in this short a time frame, and then they'll come in with what the boss would consider a lousy product, and it doesn't have anything to do with the capability of the staff, it is just that the staff didn't tell him that he had unrealistic expectations of them in that kind of time frame. "If you want a three-week job, we'll give you a three-week job, but what you're asking us to do is not a three-week job. So keep that kind of in perspective." It's amazing how many people won't—I think staff now getting a little more comfortable with doing that, but not all of them. Some of them are. They think, "Well, when the boss asks for something, we'll go back and give him whatever we can in the time he asks for it, but it may not be close to what he asked for." Well, all you do is make him mad, because his expectations are not what you're giving him, and then you have to explain, well, why you didn't give it to him, and you could have explained it up front. His expectations would have been the same as what he got. He got a three-week job that would have taken nine months to give him what he wanted. So you do those kinds of things.

Probably the external one there was a little bit different in Washington, because what you basically get in Washington is constituents coming for one or two reasons, to complain about something that the region is doing or not doing for them, or they're coming looking for money and support when they go to the Hill to try to get money. So that's a little bit different than the external relationship at an R-D's job. You get more variety at the R-D's job, but generally in Washington that's the only reason you see constituents or see your customers, if someone is pissed off at what the region is doing, or the region is not doing something that they think they ought to be doing, or they need some money. The region said the way to get the money is to go to Washington, and either go to the Commissioner's Office or go to—

END SIDE 2, TAPE 1. FEBRUARY 21, 1995.

BEGIN SIDE 1, TAPE 2. FEBRUARY 21, 1995.

Storey: This is tape two of an interview by Brit Storey with Lawrence F. Hancock on February 21, 1995.

So those are the general differences, then.

Boss's Expectations at Different Levels

Hancock: Yeah. Then, of course, it depends on who you work for. With Dave, my role was pretty clear. I knew exactly what he wanted me to do. He wanted me to run the internal organization for him, he made that pretty clear, and represent him on occasions, or represent the region on occasion. With Dennis I had to figure out what he wanted me to do. It wasn't as clear. I know he wanted a Deputy, but I didn't have the foggiest idea of what he wanted the Deputy to do. I had to go in and learn by trial and error what was his expectations of the Deputy. In a sense, Dennis wanted someone that he trusted their judgment more than he wanted a Deputy.

Dave really wanted a Deputy, and he didn't care about your—I mean, he wanted to trust you, but he didn't care whether your views on the world were the same as his. In fact, he probably appreciated it more if your views weren't the same, because you'd give him a different perspective. My impression from Dennis was he was looking for someone whose views were pretty similar to his, and that's what he wanted in a Deputy. So those are basically the three differences.

Now, the little short time that I worked for Dan Beard, in Washington, I should say, as "his Deputy," I guess, I clearly had the impression that Dan didn't want me to be his Deputy. Now, that didn't bother me one bit, because he hadn't selected me to come back there to be his Deputy. But when I did work with Dan, Dan was very decisive, Dan knew what he wanted. I never really knew whether he wanted someone with different views or whether he wanted different alternatives and different perspectives presented. He didn't try to stop you from saying, "I think you're doing something stupid, and here's why." He could take that kind of feedback.

As far as working for Dan, I think Dan would have been very easy to work for as a Deputy as he is as a Regional Director. He had a different agenda, and he didn't

necessarily want Larry Hancock there as his Deputy, which worked out great for me. I don't have a problem with that. I didn't necessarily want to be there as his Deputy. I knew philosophically—I shouldn't say that. Politically I should say that Dan and I are probably of different schools, but it's amazing philosophically how close we are on a lot of the issues. I knew once Ed Osann²¹ came in, Ed was in theory his deputy, I mean, even if he didn't call him a Deputy today, because he's his Deputy. Everybody knows that. His Deputy is Ed Osann, which is fine. He's got a political appointee as his Deputy, and that'll work. There's nothing wrong with it. That'll work.

Storey: Well, they're sure working hard at it.

Hancock: Oh, yeah, they are. But I tell you, out of all three of those guys I've talked about, Dave and—

Storey: Dennis.

Hancock: —Dennis and Dan, Dan probably works smarter than any of them, and I'm talking about in process and procedures. Now, Houston's probably smarter than any of the other two by a long shot, but there's something about Dan that he knows where to expend his energy and where not to expend his energy. So that's what I mean when I say he works smarter. He doesn't let people get him involved in issues that he shouldn't be involved in. If an issue was important to someone, then it became important to Dennis. If an issue was important to someone, Houston would either become—it became important for Dave, or he would make it important to me. So that's the difference. Dave didn't take on all those—Dave was smart enough not to take them all on, but he would at least initially listen, and if he didn't feel that it was really important for his time, but the person felt strongly about it, then he would say, "It's important for you, Larry, to see this thing through." So that's the way he handled that. But sometimes it would take him a long time—not a long, but it would take him considerable time before he figured out that, "This isn't something that I ought to be involved in. Get this thing back down in the organization where it should be."

That's why I said Dan probably is smarter. And Dan doesn't spend all those hours. I don't know. I don't know Dan well enough to know how much time Dan spends at home. I know he spends some time at home reading and some other things. I knew Dennis well enough and Dave well enough to kind of have a feel for the kind of hours that they were putting in, both on and off the job.

Storey: What kind of hours were those?

Working Hours

Hancock: Oh, I bet you Dave in the region probably working ten, fifteen, sixteen hours a day.

21. Mr. Osann served director of Policy and External Affairs for the Bureau of Reclamation, 1994-1995. For more information, see Edward Osann, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, in Washington D.C., edited by Brit Allan Storey, desk-top edited and published by Andrew H. Gahan, 2013, www.usbr.gov/history/oralhist.html.

Dennis was in the office from seven to seven almost all the time, weekends and the whole bit. So I bet you Dennis, in terms of actual on the job, probably put in, oh, I bet you Dennis put in eighty hours a week on a regular basis. But a lot of Dennis's hours were, in my opinion, unproductive hours, because he would talk to anybody anytime about anything. So a lot of his time was eaten up by staff who just wanted to talk. So I would classify Dennis as a lot of his is nonproductive work hours. Dave was probably very productive work hours, and I think that's what Dan does now. Dan, I'm just guessing, fifty hours a week, sixty maybe, if you don't consider his travel. If you consider his travel and his reading on the plane, and he does quite a bit of travel, it may be a little higher than that.

Dennis probably put in the most hours, and Houston was next, and then Dan was third in terms of just brute hours put in on the job and on activities in the job. Of course, you've got to remember Dennis was back there, like I am here, with no family, so that may be a way for him to occupy his time, too. Dave and Dan both have their families where they were, so you have your families and you do have to make some sacrifices about the job if you're going to keep your family together. So I think that may have been a part of Dennis's attitude toward work. It's probably just as good to be sitting in an office with people around than it is to be home by yourself.

Storey: Are you willing to talk about how this latest reorganization shook out, and how the S-E-S'ers [Senior Executive Service] were approached and offered or not offered positions, and all that kind of thing, your knowledge of it?

Eliminating Some Senior Executive Service Positions

Hancock: I can talk a little bit about my knowledge, but I've got two different stories, so I don't know which one is actually correct. I got one from—because I was trying to protect Dan. I got one from Don Glaser²² and I got one from Marberry [phonetic], who I talked to, and who's going through this process, because I was very concerned that Don may not have been telling Dan everything he needed to know in this process, because I kept telling Dan that the S-E-S thing wasn't going to be as easy as Don was saying. He had it all taken care of. As it turned out, he didn't have it all taken care of, but I don't think he nor Dan recognized that they didn't have it all taken care of.

I don't know anything about the specifics. I know Don was saying that he was talking to the people, and he had worked out all the arrangements for the people, going through process, that they were going to leave or we'd find jobs for them somewhere else. It turned out though, I think, that Jim Malila actually ended up doing most of the work in terms of placing the S-E-S people.

22. Mr. Glaser served in number of roles for the Bureau of Reclamation: Assistant Commissioner, Program, Budget, and Liaison, 1990-1991; Deputy Commissioner, 1993-1994; Director Program Analysis 1994-1995; Regional Director Mid-Pacific Region, 2008-2012. For more information, see Donald R. Glaser, *Oral History Interviews*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, from 1993 to 2013, in various locations, edited by Brit Allan Storey, and further edited and desktop published by Andrew H. Gahan., 2014, www.usbr.gov/history/oralhist/html.

Bill McDonald²³ placed himself, basically, after I talked to Bill. Because Bill was supposed to be my Deputy. Well, the way the reorganization was going to go was that the Policy Analysis Group was going to be in Washington, and I was going to head up that, and Bill McDonald was going to be my Deputy in Denver over that organization that Glaser's over now. Well, they reversed that. They put Don in charge of it and Henk Willems in Washington working for Don, policy organization there.

And I think that occurred for two reasons. I wasn't going to let Dan tell me who my Deputy was going to be in Denver, that I wanted Bill. I thought Bill would do the job. I wanted Bill for the job. The other reason was, I think, that Don finally figured out that he didn't want to run that service center, that that wasn't where the action was, he wanted to be in the action, and he had to find another position that kind of satisfied his ego, and the policy one certainly satisfies that, because he gets involved in a lot of policy issues per se. So that's probably the two reasons for the change.

But anyway, when Jim Malila heard it, Terry—what's Terry's last name?

Storey: Lynott?

Hancock: Yeah, Terry Lynott's²⁴ position came about by something that I was doing with that group. I had gone out and spoke to the group that Terry's working with now, and I can't remember the name of it, but a group that was looking for more efficient and effective ways to irrigation agriculture in the West.

Storey: National Association of Conservation Districts, I think.

Hancock: Right. They asked me, "How could we participate?" I said, "Well, we can participate in several ways, but we can probably give you your own executive," and they just jumped on it. They said, "That's great."

I had first offered that to Bill McDonald, because I thought with his chemistry background as his undergraduate degree and his law background, I thought that, but Bill wasn't really interested in it. Then I asked Jim to give me some names of people in Denver that might be, and he gave me some names of some people that were—I don't know, I think [GS] 13s and 14s. I said, "That's fine." I said, "But what are we going to do with all these S-E-S people?" I said, "Why don't you see if Terry or one of the S-E-S people are interested in this job."

23. Mr. McDonald served as Assistant Commissioner Resources Management, 1990-1994; Regional Director Pacific Northwest Region, 1998-2010. For more information, see J. William McDonald, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, from 1993 to 2011, in Denver, Colorado, edited by Brit Allan Storey, further edited and desktop published by Andrew H. Gahan, 2014, www.usbr.gov/history/oralhist.html.

24. Mr. Lynott served as the Bureau of Reclamation's Assistant Commissioner of Planning and Operations, 1986-1988. For more information, see Terry P. Lynott, *Oral History Interviews*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, in Lakewood, Colorado, edited by Brit Allan Storey, 2012, www.usbr.gov/history/oralhist.html.

I guess Terry said he was interested, so that's how Terry got that one, working with Tom Phillips and Jim Malila and that group out there, got that one. Then, of course, Bill McDonald got his own, and Ray Willms²⁵ decided to retire, and the one that Don Glaser kept telling Dan that he had in control was Bernie Silverman. I said, "Bullshit." I said, "That's the same thing Joe Hall was telling me and it never came to pass." I said, "Bernie is a tough old rooster. He's not going to roll over and say, 'I'll do whatever you want me to do.'" (laughter) I said, "Somebody's got to say, 'We don't care whether you roll over or not, Bernie. Here are your choices. Now, you better make a selection.'" I guess Jim finally—I still haven't followed what happened on Bernie. I don't whether Bernie's gone, or whether he's planning to go, or whether they're going to downgrade him, or what they're going to do with Bernie Silverman. So I don't know how that one came about.

That was about all of them. Then Stan Ponz [phonetic] kind of negotiated his own deal with Austin Burke. That was about the extent of them. Of course, mine came about because Glaser wanted the Policy Analysis Group, so Dan came in and said would I mind going to Boulder City, and I said, "Well, if you remember, that was my first choice when I was going through this whole process." I said, "If Bob Towles was going to retire, I'd love to go out to Boulder City to be Regional Director and let someone else do this Policy Analysis job in Washington." And he said, "Oh, okay, that works out great."

So that's how I ended up out here. Don Glaser will probably tell you that he got me this job out here. This is where I wanted to come, and everything else, and that's why he volunteered to take the policy job, but that's not—the other thing that I kind of believe, and this is just my perception, I'm not one that will just do what the boss asks me to do if I think it's wrong. And I think they may have thought that I was going to be more confrontational within Washington than they wanted to be, so having me 2,000 miles away, 3,000, whatever it is, 2,500 miles away, may have been better from any kind of confrontational kinds of activities than having me there.

Austin's a pretty easy-going guy, and he's not going to get too confrontational with the Commissioner and other people that were there. I also think they were a little bit uncomfortable with me there, knowing how close I was to the Reagan and Bush administration, which I can understand. So those are probably some of the added ingredients for me being out here that they said, "Well, we ought to get this guy to go out of Washington so he's not so close to the political action that goes on."

Storey: Is Austin really supervising the Regional Directors?

Policy Analysis Group

Hancock: I don't know. I don't think so. No, he's not really supervising the Regional Directors. Most of the Regional Directors deal directly with Dan, and on certain issues we deal

25. Mr. Willms had a diverse career with the Bureau of Reclamation and participated in Reclamation's Oral History Program. For more information, see Raymond (Ray) H. Willms, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, in 1994 in Denver, Colorado, edited by Brit Allan Storey, 2010, www.usbr.gov/history/oralhist.html.

with Ed Osann. I try to deal with Austin, but he's not that interested in issues. And when he get issues, I send them to him, he ended up sending them to Glaser anyway, especially if they're policy issues. He ends up sending them to Glaser anyway. I thought the policy issues were supposed to go to Austin, and he would decide whether they went to Glaser or whether he wanted to go to Dan and get those issues resolved. But that's not the way it's working.

My view of it, and I don't know whether this is the way, when we had it set up before, and Austin and I had agreed to this and Bill McDonald, because we were the three putting together the Washington Policy Analysis Group before this transition took place, was that Austin was going to be in charge of the line responsibilities. We weren't going to do any policy activities unless we were requested by either Dan, Ed Osann, or Austin Burke. The only thing we were going to do was review the existing policies, decided whether we needed them anymore, and we didn't need them, we could throw them away, or whether we needed to revise them. We weren't going to write any new policies without direction of one of those three people.

Policy requests was not supposed to be stimulated from the Washington Office or the Denver Office. They were supposed to come from the regional office or the area offices, that if I wanted to do something and I knew it was in violation of policy, I would write to Austin and say, "I want to carry out this activity. It's in violation of Policy X. This is a unique enough situation that we don't need to change the policy. All you need to do is give me a waiver to this policy, an exception, for these circumstances," and Austin could do that himself. Now, if I wrote him and said, "This policy stinks. Every time I try to apply it anywhere, it just gets in the way of me carrying out my function. We need this policy redrafted or tossed out," then that would go to Ed Osann, to Don Glaser, for rewrite of the policy. That's the way the policy side of the house was supposed to work.

Issues with Hobby Farm Policy

Well, in my opinion, that's not the way it's working now. Still we've got people in Washington and Denver saying, "We need a policy for this," not as much as it was before. "We need a policy for this and this, and this, and we're going to draft these policies." Well, in operating people not doing what we'd like—I sent in for a waiver. I don't know, it's been right after I got here, a long time ago, and it's on determining what an economic farm is. When you go in and do a repayment analysis, each farm, does it have to have five acres, two acres, or ten acres in order to qualify for subsidized water? Now, the law says, and I can't remember what it does, and I was looking at it, it said any one of them had two acres, and one had five acres, and they were going to put that in. I wrote in and I said, "This policy is just not right for our current environment. Why don't you suspend the existing policy and let us make a case-by-case determination what the appropriate sizes of the farms are until you can invest—" because I knew it was going to take them a long time—"until you can investigate this and come up with an appropriate Reclamation-wide policy."

Well, what happened was, it got sent to Denver. I never got the policy suspended, and they still haven't sent me out the revision to the policy. So I had two

loan applications with that criteria in it, and I put off signing those contracts as long as I could, and I said, "I can't hold these guys to any other standard because this is existing policy." If they had taken the policy off the book, I could have said, "No, we suspended that policy, and we're going to look at these on a different basis than what we've looked at them historically." I could have gotten the size of the farms up where people wouldn't have accused us of giving subsidized water to hobby farms. But without them suspending the policy, I didn't have any choice but to go ahead and execute the contracts, and now they're still trying to draft the policy. So that was my whole purpose, not that I wanted them just to suspend the policy, but at least we would have gotten the policy suspended, some contracts done with probably a better basis for doing the contracts than the old policy that we had in place. But they weren't trusting enough to do that.

What I thought was, if I had of been Austin, I would have written a letter and just said, "The policy is suspended until we get a new policy developed by the Policy Analysis Group, and we'll let you know when that policy is developed." That's the way I had envisioned it to work, that he wouldn't have to send that to Don Glaser or to Ed Osann, that he could have put in there that, "While the policy is suspended, I want to review all the case-by-case analysis," or, "I want my policy group in Denver to review all the case-by-case analysis, so we make sure that we're being somewhat consistent while the policy has been suspended."

But, no, they wouldn't even go that far. I mean, they could have given up on the policy and kept some review and control just by saying—we don't get that many of them. I mean, it's not like we get one every week. (laughter) So it wouldn't have been a major workload for them. But, no, I don't know, it just didn't happen.

The Beard Reorganization

It's a strange—I think the organization is going to turn out okay. I think Denver's going to have to get smaller, unless they get an awful lot of outside work. I think Dan's saying that he's willing to consider, revisit his decision on whether we can do work for people outside Department of Interior, may help Denver a lot in terms of keeping their numbers up to where they are. I think the Washington Office is going to end up too big, and where they're going, and they have people there that still don't have meaningful jobs, and they've got people there working like crazy. The whole purpose of the reorganization in Washington was supposed to be that the people who didn't really have meaningful jobs to get them meaningful jobs.

Storey: This was the Beard reorganization or the previous one?

Hancock: The Beard reorganization. The whole purpose in Washington, see, because we didn't do anything in Washington to amount to anything other than get rid of my job and change the contracting and the—what was it—not the Regional Liaison, the other liaison group—it was the Technical Liaison Group, into the Policy Analysis shop. That's basically all we did in the Washington Office and, of course, added those issue managers to Ed Osann's staff. Well, we combined the contracts portion, Dick Porter's group, and I can't remember the other guy's name, Technical Liaison Group, into one

group, and made them Policy Analysis. The reason we did that was—

Storey: Henk Willems, maybe?

Hancock: Henk Willem's group now, this whole group is one group now, and the reason we did that, we said, is some of those people over there were working like crazy, and some of them were sitting around trying to make work for themselves, and said, "We need to get all of them legitimate jobs," and we just haven't—I don't know. I haven't been in Washington, haven't had enough impact to really make a fair assessment whether that's turned out the way we planned for it to turn out or not, but we've added all those issue managers and I don't see where we've moved any people. We didn't even move any people, I don't think, to Denver when they transferred the contracting function from Washington to Denver. I always perceived that we would move some of those people to Denver as well. Now, it wouldn't have been very many, because the contracting staff was getting pretty low there anyway at that time.

Dan Beard's Impact

I've told a lot of people this, I think what Dan Beard brought to this organization, Dan is probably the best Commissioner we've had out of the last four, anyway. What he brought was a vision, and he was very good at communicating that vision to the employees that we're going to become the world premier water resource manager. We're no longer going to build major civil works facilities. I think people related to that, and that's probably—and that vision and the downsizing and the restructuring of Reclamation has all been excellent. Now, we may not be exactly the way we want to get with all that, but we're certainly moving in the right direction in terms of going there.

I don't think Dan will ever get the credibility that he deserves in his tenure as Commissioner, and that's because of the baggage he brought with him from his previous life as chief of staff for Congressman Miller, and has nothing in the world to do with Dan Beard. It has to do with he worked for a guy who had an agenda that most of their constituents hated with a passion. And they can't bring themselves to believe that this is the same Beard that beat up on them and now saying, "I want a partnership with you. I want to be your friend." And they're saying, "Sure you do, and as soon as we turn our back, you're going to stick us in the back with a knife or shoot us half to death." So the trust level there is not there that Dennis Underwood had and some of the other Commissioners had. It didn't come with that kind of baggage. So it's going to be tough for Dan to be recognized for his achievements with Reclamation. But he's taking, in my opinion—

END SIDE 1, TAPE 2. FEBRUARY 21, 1995.

BEGIN SIDE 2, TAPE 2. FEBRUARY 21, 1995.

Storey: You were saying that what you think is happened is that Dan has done what Dennis wanted to do.

Hancock: That's right.

Storey: Enforced organization.

Hancock: Enforced the organization and implemented it. I think internally Dan's going to be looked at as one of the best Commissioners we've had by this generation of Reclamation people, and externally he's not going to be looked at very good. That's kind of my philosophical view of how Dan's tenure is going to be observed. If he had never worked for Congressman Miller, he probably wouldn't have ever gotten the job, but if he had never worked for Congressman Miller and worked for another congressman over there, he'd be great.

Storey: What are the major issues facing this region, Lower Colorado, now, under your Regional Directorship?

Lower Colorado Regional Issues

Hancock: Well, we've got the Central Arizona, the C-A-P that we're still trying to negotiate on how much they're going to repay us for the Central Arizona Project. We've got the rules and regulations that we're trying to implement on how we're going to operate and maintain the river system from Leesbury to the Mexican border, and that's under a lot of controversy now, and the Secretary suspended issuing those rules. Of course, we've got part of the rules, and we're negotiating with the basin states on the water marketing and water banking.

Storey: Water transfers?

Hancock: Water transfers, interstate transfers. That's a big issue. Of course, we've got a lot of the Indian issues in this region, Arizona to hold water supplies for Native Americans, towards their trust responsibility and obligation. Now we've developed all these projects and facilities for non-Indians, and is the money going to run out when it's time to develop systems for Native Americans.

We've got the Endangered Species Act. We've got to do a biological assessment on operations of the Colorado River for the endangered species, the squawfish and some of the other listed species on the Colorado River that we're just launching into. We've got the whole issue along the water issues with Mexico. We've got the famous Yuma Desalting Plant down there that's kind of moth balled. Ready reserves is an appropriate name right now, that we've spent tremendous amount of taxpayers' dollars on and it's not operating. We've got to decide what we're going to do with that facility.

Those are some of the major issues we've got. Some water conservation issues that we've got to address in this region. It's real tough to show where it's to people's advantage in this basin when they get credit for return flows. So if you use ten acre feet of water and five acre feet return, you only get credit for using five acre feet, so you could save five acre feet and not have any impact on your bill or on your use of water. So we've got to do something about some kind of incentive for people to save. Of course, the quality of the water that might return is not as good as it was when it went in. So there's some quality issues with the conservation issue here as well, that

maybe you conserve because if you can leave that five acre-feet in the river to begin with, the quality will be better for the next person downstream. Well, that's kind of hard unless there's some incentives or something that go along with that, that's kind of hard to sell.

And we've got an area that's being converted pretty rapidly from agriculture to urban. There are a lot of major urban developments coming up in this area. The biggest one, of course, is Las Vegas, that's growing like wildfire, but there are other cities along the river like Laughlin, that was like a one-stop corral a few years back. Now it's a pretty sizeable city and it continues to grow, and it's causing cities right across the river in Arizona like Bullhead City to grow pretty rapidly. You've got the whole Phoenix area that's still growing pretty rapidly, in terms of urbanization. So it's a conversion from Ag [agriculture] to urban water supplies primarily. Of course, someone's got to deal with some way at some point in time or not deal with the Salton Sea. It's sitting down at the end of this bathtub and so on.

Storey: And getting saltier and saltier.

Hancock: Right.

Storey: And higher and higher.

Hancock: Yeah, and they kept saying a few years ago it was going to disappear. How's it going to disappear? It keeps rising. It hasn't gone down, and it's been going up in elevation.

Storey: Is it normal to discount the return flows so that you're only paying for what disappears while it's on your land? Is that standard or is that a unique thing for this region?

Discounts for Return Flows

Hancock: As far as I know, that's a unique thing for this region. We had return flows in California on the Sacramento River, but none of the farmers got any credits for those return flows. I mean, if you diverted ten acre feet of water, you paid for ten acre feet of water. That was considered your use. Certainly part of that water comes back into the river system, but you didn't get any credit for that.

Over here they measure their return flows and they get credit for their return. So what is it? Las Vegas is—what is their annual allocation of 330,000 acre feet? They are probably diverting close to that now, or more, at least close to that. They're not diverting any more, but they're probably diverting that now, but they're getting return flow credits, so it's still not up to their allocation. Yeah, that's a standard practice on the Colorado River.

Storey: On the Lower Basin?

Hancock: On the Lower Basin.

Storey: So it's not just in one state where the water law is different or something like that.

Hancock: See, on the Lower Basin, the Secretary is essentially the watermaster.

Storey: Secretary of the Interior.

Hancock: Secretary of Interior. So they comply with state laws. Now, we listen to and take advice of Department of Water Resources and things of that nature in the states, but the Secretary has an awful lot more authority in the Lower Basin than they do than anywhere else in Reclamation projects.

Colorado River Water Distributions Among the Basin States

See, in the Upper Basin states, the states were able to agree on how the water should be apportioned between the states, and that water was turned over to the states for jurisdiction and management. In the Lower Basin they weren't ever able to agree. So they went to the Supreme Court, and the Supreme Court made the apportionments in the Lower Basin, and also said the Secretary will be the watermaster.

Storey: This is because of the Arizona suit?

Hancock: Arizona and California suit.²⁶ So that's basically it.

Storey: Let's see. Our time is up, unfortunately. There are a few more questions I'd like to ask you. We can do that on Thursday, if that's all right.

Hancock: Yeah, we can do it on Thursday. That'll work.

Storey: Okay. I'd like to ask you now if you want to stick to the condition that you placed on your previous interviews, that the interviews in cassette form and transcript for or any other form would not be available until one year after you have left Reclamation.

Hancock: Yeah.

Storey: Thank you.

END SIDE 2, TAPE 2. FEBRUARY 21, 1995.

BEGIN SIDE 1, TAPE 1. FEBRUARY 23, 1995.

Storey: This is tape one of an interview by Brit Allan Storey, senior historian at the Bureau of Reclamation, with Lawrence F. Hancock, Regional Director of the Bureau of Reclamation, in the Lower Colorado Regional Office in Boulder City, Nevada, on February 23, 1995, at about one o'clock in the afternoon.

A couple of days ago when we were talking, you happened to mention the Coordinating Operating Agreement in California and how David Houston had worked

26. In 1953 the state of Arizona filed suit against the state of California over Colorado River allocations in the lower basin with the Supreme Court. In 1963 the court ruled in favor of Arizona's claim to 2.8 million acre feet of water from the Colorado River's main stream. The Supreme Court's ruling allowed for the construction of the Central Arizona Project, which permits Arizona to utilize its share of the Colorado River.

that through. Could you talk more about actually what he did and what the Coordinating Operating Agreement is and what it accomplishes and sort of the background of where that came from.

Bay/Delta Coordinating Operating Agreement

Hancock: Okay. It's really a long, complicated issue, but let me see if I can explain a little bit about it.

When the state was setting Bay/Delta Standards, and I believe the year was 1978, the Bureau of Reclamation took the position that because they were a Federal agency, they did not have to comply with meeting those standards.

Storey: For the San Joaquin-Sacramento [Delta]?

Hancock: Right. And that position was challenged by the state, and it's now known as the Racanelli Decision, which was the name of the judge who made the decision, that said, "You do have to meet, you have to make your contribution to meeting those Bay/Delta Standards."

Out of that came a need to develop a Coordinating Operating Agreement between the state project and the Central Valley Project to determine what the responsibilities of the two projects were going to be separately and to meet those standards, because the C-V-P was built prior to the state project, so it was always Reclamation's position that the C-V-P should have less of a burden in meeting the standards than the state project because we were there first and that most of the deterioration to the Delta came after the state built their project, which increased the diversion from the Delta. So that's kind of how they coordinated.

So the Bureau and the Department of Water Resources in California set out to develop what they called a Coordinating Operating Agreement on how the two projects were going to be operated to meet the standards in dry years and in normal years and in wet years, and this had been going on ever since Racanelli had issued his opinion. I don't remember the year that he issued his opinion.

Around 1990 and '91 was when it was coming to conclusion. Of course, Dave Houston was the Regional Director there, and the Department of Water Resources and the Bureau of Reclamation felt that they had worked out an agreement. The agreement had to be approved by the Congress, it had to be voted on by the Congress in order to be put in place. And so when they sent it back to the Congress, the House and Congressman [George] Miller made substantial changes to what the state and what the Bureau had worked out at a local level, and some of those changes were changes that at least the Bureau office in Sacramento felt that they could not live with. And so when the bill went to the Senate side, that's when Dave Houston elected to try to go get some of the changes that the House side had put into the legislation reversed, and he was very successful in getting—he didn't get them all reversed, but he got a substantial portion of those items changed.

I was trying to remember one specific one that was really onerous on the C-V-P that they had made to change, and it doesn't come to mind right now. But there were some real specific things. Oh, I know one of them was, I believe, that any water that went for Delta outflow was considered water that was going to be used for project purposes, and therefore the water users had to pay the operation and maintenance costs on that water, which is just kind of absurd because that water is going for environmental use and not for beneficial use.

Storey: Not what would traditionally be considered cost reimbursable, certainly.

Hancock: That's right. And so he got that reversed, and there was some other provisions that they were putting in there that was like that that they got reversed. And because they wanted the bill to pass, and the bill didn't have to go back to the House, that all it had to do was go to a conference committee, he was able to get a lot of those changes in, and Congressman Miller felt like he had been defeated on his own turf, so to speak, by a bureaucrat, and he didn't like that very much at all. So that was kind of the essence of the story.

What the Coordinating Operating Agreement does is, it says that—I'll just give an example—that the State Water Project in dry years has to contribute 55 percent of the water to meet Bay/Delta requirements, and the C-V-P would only meet 45 percent, it would only have to deliver 45 percent of the water to meet the Bay/Delta requirements. Now, that number is not gospel, but it was some ratio like that, and they had to go through every kind of year—not every kind, but the three different kinds of years to determine what kind of responsibility both projects were going to have in meeting that. So that's basically what the Coordinating Operating Agreement does.

Storey: And when you say "three different kinds of years," I presume you mean high flow, low flow, and average flow sort of things.

Hancock: Right.

Storey: Were those proportions based on the amount of water in the project? In other words, if that was the proportion, would it be 55 percent state water and 45 percent Reclamation water?

Hancock: It was based on negotiations between the State Department of Water Resources and the Bureau, and what they tried to do was to go back and assess the health of the Delta before the C-V-P—not before the C-V-P, but before the Tracy Pumping Plant that feeds the Delta Mendota Canal was constructed. And then years after that, when the state built Banks Pumping Plant, so then they could try to contribute the degradation in the environmental aspects in the Delta to each project. So it wasn't necessarily based on the percentage of the water. In fact, C-V-P has considerable more storage than the State Water Project does, but the state has more responsibility for meeting the Bay/Delta Standards than the C-V-P does, because first-in-time premise was put into place.

I don't know whether you're very familiar with the Delta, but a big portion of

the problem in the Delta is what they call reverse flows.

Storey: Where the water is sucked back.

Hancock: That's correct.

Storey: By the pumping plants.

Hancock: By the pumping plants. And what they were saying was that there were very few problems with reverse flows when the Tracy Pumping Plant was there by itself. Most of the reverse flows came when the state put the Banks Pumping Plant right next to the Tracy Pumping Plant, so the two in combination created a more severe reverse flow action than the Tracy Pumping Plant did by itself. And that's why I say it was primarily a negotiated—there was some scientific data or information that was looked at to try to drive the negotiations, but it was basically a negotiated settlement.

Storey: Is it the Coordinating Operating Agreement [Coordinated Operations Agreement]?

Hancock: That's the name of it, and it's a public law. I can't remember the name of it. It actually became a public law.²⁷

Storey: I understood from another interviewee that what was going on was that Reclamation and the state were negotiating, and they sort of had a system they could live with, but they could never seem to formalize it and get it actually signed. First of all, was that true; and second of all, what got them off the dime?

The Federal/State Agreement was a Long Drawn-Out Process

Hancock: They have been coordinating the operations of those two projects for an awful long time, so, yes, there was some coordination that was going on between the projects. And we always—most of the time—met the water quality standards in the Delta between the two projects, and it was kind of another one of those negotiated things. If the C-V-P had water supply, we would kick in more water to meet the requirements if the state project was water deficient, in hopes that the state would pay us back in some time in the future.

So, yes, there was a coordinated operations going on, but, you're right, nothing had been formalized. And what you had to do, you had to go through that process. You had to do NEPA [National Environmental Policy Act] compliance on the document before it could be executed, and Congress had to ratify that. Well, since you have to operate the projects in real time, you have to agree on a real-time basis on how you're going to operate the projects. You can fight about the differences after you've done that, but you have to agree on how you're going to operate those two projects, and that was being done pretty effectively. But when you sit down and try to put something on paper and say, "Are we going to get this approved by Congress, and

27. "An Act to Implement the Coordinated Operations Agreement, the Suisun Marsh Preservation Agreement, and to Amend the Small Reclamation Projects Act of 1956, as amended and, for other purposes." (Act of October 27, 1986, Public Law 99-546, 100 Stat, 3050).

this is the way we have to operate year in and year out," then it becomes real difficult to get two people to agree on how to put that on paper.

An example is, if you owned a car and you and I were taking a trip from Boulder City to Washington, D.C., if the car broke down, and we both wanted to get there, it would probably be real easy for us to agree on how we are going to pay for repairs on that car to get us from Boulder City to Washington, D.C. But if we had to make that trip and we had to make an agreement in advance of how we were going to do that, it may be very difficult for us to agree that it's your car, but you expect me to pay 100 percent of the repair bills as we go from Boulder City to Washington, D.C., when some of these things may have fallen apart whether we took this trip or not? So that's the kind of analogy that I would use that the project was kind of operating under prior to the Coordinating Operating Agreement being formalized and actually documented on paper.

That process of trying to get that done had been going on since Racanalli passed down his decision and we knew we had to operate C-V-P in accordance with state law. That's why I say it probably took twenty years from the time that it started until the actual document was put into law by Congress, and it's gone through several Regional Directors and office staff to get to that point.

Storey: Was there something that broke it loose and finally—

Suisun Marsh

Hancock: I think Dave Houston's negotiating skills and his emphasis that that was one of the items that he wanted to try to accomplish during his watch. When he came in, he said that was one, at least one of three or four items that he wanted to complete during his time. The other one was the Suisun Marsh, which is a part of the Delta agreement, that he got that one done, as well. Those were two of the big-ticket items on his agenda.

Storey: Could you tell me a little bit more about Suisun Marsh?

Hancock: Oh, that was protection of the Suisun Marsh, and actually what they did was build what the Corps of Engineers would call a lock at a specific point in the Suisun Marsh to keep the saltwater from intruding so they could control when the water would come back in so they protect the marsh for waterfowl. The state and the Bureau was working on a proposal to do that, and we finally got that proposal agreed and actually built the structure. The structure, at least most the structure, was built during that time. It got funding from Congress and funding from the state to do that. It was kind of like tidal gates. And it was a—it was not a freshwater marsh. It was a seawater marsh.

Storey: A brackish marsh, I think.

Hancock: Brackish marsh, that's right. And they wanted to keep the water at a certain salinity level, and so the way to do that was to control how much seawater you would let back

in and when you would let the freshwater go out in terms of the brackish marsh.

Storey: And the reason we were involved was because the C-V-P had reduced the freshwater flows, is that it?

Hancock: Well, essentially. This one was almost like the Tracy Pumping Plant and the Banks Pumping Plant, and the Suisun Marsh was far enough to the west of that that it probably didn't have a lot of influence. The pumping itself didn't, but diversion of water out of the Sacramento River as it came down the Delta to the east, instead of allowing it to come to the west, probably had some impact on that whole process. And I think, if I'm not mistaken, I think that one was worked out to a 55-45 cost-sharing split, where we paid 45 and the state actually paid 55 percent of the construction costs, and I'm not sure how the operation and maintenance was split now. I don't know whether the state assumed all of the operation and maintenance expense or whether we split that the same way. I can't remember. And the state actually constructed the facility.

Storey: Yeah. And I think now they're trying to fine tune some of the stuff.

Hancock: That's right.

Storey: Two or three years ago, I think, I was acting archeologist in the region for a week, and one of the things Jim West asked me to do was to write a brief history of the Suisun Marsh for them.

One of the things that's connected to all of this water issue in the Delta is the so-called Peripheral Canal. Were you involved with any of that while you were there?

Peripheral Canal

Hancock: No. The Peripheral Canal was proposed way before I was in any kind of management position. I was there, certainly, because I spent most of my career in the Mid-Pacific Region. So I was there when the Peripheral Canal was actually proposed, but when it was voted on, I was actually in Denver. I left Sacramento and went to Denver in '76, and I think the Peripheral Canal was voted on somewhere between '76 and '78, maybe '78.²⁸

28. "In the 1960s and 1970s, another canal was proposed, one that would divert the Sacramento River at Hood around the "periphery" of the Delta region. This canal would have been about 43 miles long and would have delivered canal water directly to the state and federal pumps near Tracy. The 1982 design for the canal would have enabled it to carry 15,000 cubic feet of water per second.

"The 'release points' designated on the plan would enable the Department of Water Resources to provide water from the canal into existing channels of the Delta to address flow needs for salmon migration and water quality and water level concerns. This required the public to trust DWR and its contractors to protect fish and water quality—a situation analogous to trusting the fox to protect the henhouse. Instead, the issue went to the voters for final disposition. Subsequently, a public referendum (Proposition 9) supporting the legislature's approval of bonds for the canal was defeated in June 1982 by a vote of 63 to 37 percent of the electorate." For more information, see California Water Impact Network, "Peripheral Canals: Way Past, Past, and Present," <https://www.c-win.org/peripheral-canals-way-past-past-and-present.html>. (Accessed 1/2016)

Storey: So when you went back as Assistant Regional Director, it was a dead issue.

Hancock: It was a dead issue. No one mentioned the "P word," as they called it, because it had been so soundly defeated in California, although everybody to this day believes that that's still the best solution for the problems in the Delta, and now some of the [U.S.] Fish and Wildlife people are saying that, yes, it's probably the best solution, that a physical solution is going to have to take place.

I think what killed the Peripheral Canal, other than misleading the voters in terms of its intent, was I don't believe that the Fish and Wildlife people at that time, and I'm not talking about just the Federal Fish and Wildlife agency. I'm talking about both the state Fish and Game and Fish and Wildlife, and just people who were concerned about the environmental health of the Bay/Delta didn't trust either of the water resources operating entities that they were going to operate that facility for the benefit of the Delta, that they were going to just use it to divert more freshwater south.

And that facility, if it was operated appropriately, would have been a tremendous enhancement for the biological resources in the Delta, because the whole purpose was, instead of taking the water through the Delta to get to the pumping plants, it was going to take the water around the Delta to get to the pumping plants. And at that time, as I remember the design, there were strategic points along there where you could have releases of freshwater into the Delta, so it would have actually increased the freshwater all the way around that portion of the Delta that the Peripheral Canal and would have improved the whole thing and reduced some of the—you wouldn't have had any reverse flows to speak of, because the water wouldn't have been reversed. You would have been able to distribute the flows kind of in the inner Delta. That's on the southeastern side of the Delta, where the pumping station was and where the San Joaquin River is to enhance the flows in that area, and I think it would have been very helpful.

Storey: And the intakes, then, would have been removed from the Delta and put into the canal, is that right, for the pumping plants?

Hancock: Yeah. The Peripheral Canal would have discharged directly into the canals, and the intake would have been in the Sacramento River, upstream of the whole complex of the Delta. So you would have diverted your water from the river upstream to carry to your pumping plants, and you could have diverted more than you were going to pump and made discharges along the way into the Delta, strategic discharges.

Storey: Through the natural water courses, maybe.

Hancock: Through the natural water courses that would have kept the flow going out. So people are again looking at that and saying, "This may be the only solution, or the best solution, even today, for the biological health of the Bay/Delta." Of course, stop pumping or stop using water is probably even better from a biological point of view, but it certainly does havoc, or will do havoc, on the economy of California if you can't pump and deliver any of that water south.

Storey: What kinds of issues come up with Reclamation in dealing with the state in getting the State Water Project and the Central Valley Project to function properly? What are the kinds of things that require attention?

Water Quality Standards for the Delta

Hancock: What requires attention is—and I'll just talk about the water quality standards that exist today in the Delta. They're primarily salinity standards, and they have gauges in the Delta that you monitor the salinity and you have to keep the salinity at a specific reading at those stations, and it varies from time of year what the salinity should be.

Well, most of the facilities that can make a difference in those salinity stations have anywhere from three- to a four-day travel time. So if you get a reading and it says that you need more freshwater in the Delta now, or you will need it tomorrow, there's very few facilities that can respond quick enough to make a difference, because Shasta [Dam] is several days away, Trinity [Dam] is several, Oroville [Dam]²⁹ is several days away. The only facility that's close enough of any kind of continued capacity to do that is Folsom [Dam]. So generally, Folsom is used by both the state and the C-V-P to meet the water quality standards in the Delta, and the way that's done is because it can respond in twenty-four hours. So you've got a day's lag time from Folsom where you can get water down and you can make a difference in a day's time.

So if we release water to do that and a portion of that water should have been released from Oroville, the only state storage facility, then they have to pay us back. So you have to keep an accounting of that and you have to say, "Okay, state, we released 100,000 acre feet out of Folsom to maintain the water quality standards in the Delta, and you should have released 60,000 of that 100,000. We want you now to deliver 60,000 on this schedule from Oroville for us to pick up at the pumps at Tracy to repay us for the water that we put in the Delta to meet those standards." That is primarily the issue that comes up on the delta water quality.

You also have issues about who can pump between the state and the feds at what given time. Another way, of course, to meet the water quality standards is to cut back on your pumping, or reduce the pumping at either one of those stations will help the salinity in the Delta, as well. And also, who can pump. At one time, the State Water Resources Control Board issued permits about how much you can pump, but in some circumstances it's better for the state to pump for us than it is for us to pump for ourselves. We work out arrangements like that, because we both put water in the San Luis Reservoir, which is a pump storage system, and we trade off in terms of who pumps for who and how much water you're putting into San Luis, and you have to keep track of who's got what quantity of water in San Luis, because also you generate out of that and you want to get credit for the generation, as well, on your water supply

29. "The centerpiece of the [California] State Water Project, and its largest water storage facility, is Oroville Dam. Located about 70 miles north of Sacramento at the confluence of the three forks of the Feather River, Oroville Dam is an earthfill dam (consisting of an impervious core surrounded by sands, gravels, and rockfill materials) that creates a reservoir that can hold 3.5 million acre-feet of water. See Water Education Foundation, "Oroville Dam," <http://www.watereducation.org/aquapedia/oroville-dam>. (Accessed 1/2016)

when you're releasing water from San Luis.

Then just kind of the general overall water operations gain over a year, you have to coordinate those operations so that you know what each one plans to do so you can get through that. Also, providing water to wildlife refuges and other kinds of uses. There are certain refuges that the state's project can deliver to and there are certain refuges that the C-V-P can deliver to, and sharing that responsibility to do that.

Storey: These are the refuges up to the north of Sacramento and the west that we're talking about?

Hancock: There's some up north. There's some south, too. The Los Banos Refuge is down south of the Delta. So there's some both north and south of Sacramento.

Storey: Does it tend to be a pretty good working relationship? You know, we share facilities with them, even. We share canals, we share storage, we share a pumping plant at San Luis.

Working Relations with the State

Hancock: Yes. Generally, on a day-to-day operational basis, there's a very, very good and close working relationship. In fact, I don't know whether the plans are still there, but there were some plans to co-locate the operating staff when I was out there. In fact, Dave Kendu [phonetic] was the Director of the Department of Water Resources, and Dave Houston started that and then I continued that process. I don't think that's come to pass yet, because the state wanted to build a new facility and locate both the Federal operating staff and the state operating staff in the one facility, along with the National Weather Service, so that you'd have your forecasters and your operators all in the same room so when you needed to make quick decisions, you could make quick decisions jointly about how the projects were going to be operated. Of course, the other key item is during periods of crises, whether it's a drought or whether it's a flood.

Storey: The recent floods, for instance.

Hancock: That's right, the recent floods. You better be coordinating your operations during that time or you're going to flood people out unnecessarily. I mean, if Oroville is full and can't make anymore releases and Shasta is not full, it makes sense that we could cut back and not have the severe impact, cut back on our releases and not have the severe impact on downstream residents or downstream cities that you may have if you're not coordinating your operations. So that's another big reason for coordinating facilities that end up in a common stream.

You know, like I tell people, the Colorado River is probably one of the simplest systems in the world from a hydrological standpoint, but probably one of the most toughest from a political standpoint in that you've got seven states to deal with and the whole bit. And then you go to California and you've got C-V-P and the State Water Project, which is probably one of the most complex systems from a

hydrological standpoint, but is a lot simpler to deal with from a political standpoint in that they are both all in one state, California, and at least you only have one state government to negotiate with and try to work activities out.

What makes the C-V-P politically complicated is the activeness of all of the special—all of the interest groups. I'm not calling them special interest groups, all of the interest groups in California and how they get involved in that process. The interest groups are not that diverse yet in the Colorado River as they are in California, so the complication on the C-V-P then becomes really complex because you've got the hydrological complexities of the system, plus you've got the interest groups, numerous interest groups interested in the whole process. And it's pretty difficult to get a layperson to understand the operations of the Central Valley Project and the State Water Project and how they are coordinated and how they work. It's real easy to get a layperson to understand how the Colorado River operates from a hydrological standpoint, but then you have to throw in all the Supreme Court decisions and all the legislation and all the rules of the river that makes the Colorado River complex. So you've got two different systems that are complex for different reasons.

Storey: George Miller is a major factor in Reclamation's operations because of where he is in his relationship to us in California. Did you have any other relations besides over the Coordinating Operating Agreement with him?

END SIDE 1, TAPE 1. FEBRUARY 23, 1995.

BEGIN SIDE 2, TAPE 1. FEBRUARY 23, 1995.

Storey: I had just asked you about George Miller and how he related to Reclamation in California.

Congressman George Miller

Hancock: In history and before the Congress changed, when Congressman Miller, George Miller, was the chairman of the committee, subcommittee, Reclamation and George Miller didn't have a very good relationship over it, cozy relationship. It appeared that the interest groups primarily that Congressman Miller was most interested in trying to listen to their views were the environmental groups and that he didn't, my opinion, he didn't balance that with listening to the water users and the power users in trying to lay out a strategy that would maybe meet both of those groups' needs with some kind of compromise between those groups. And on the other hand, Reclamation's primary constituents were the power users and the water users, and we probably didn't listen enough to the environmental groups in doing the same thing.

So in my opinion again, I think that Reclamation and George Miller found themselves at opposite ends of many issues, and that put us, as an agency under an unauthorizing committee, your jurisdiction, in opposition with the chairman of that committee, puts you at a distinct disadvantage from any agency perspective that most agencies—there's two people that most agencies would like to have a good working relationship with, even if you didn't agree with them on all of the things, would be your authorizing committee and your appropriations committee is the two areas that

you want to have good working relationships with. Congress and Reclamation did not, in my opinion, have a good working relationship with Congressman Miller, who was Chairman of that committee. So we got at issues on, oh, everything that you could speak of—Public Law 102-575 in California. The portion of it that was dealing with California was a direct outcome of the conflict, that Congressman Miller saw that we weren't doing enough for the environment and we thought that we were doing enough for the environment, so we got legislation out of that whole process.

Then, of course, we had the Coordinating Operating Agreement. I think another one that we got involved with Congressman Miller was certainly the Garrison Project³⁰ and the reformulation of Garrison as you go through the whole process, clearly on Animus-La Plata [Project]. If you go through Reclamation's history when Congressman Miller has been chairman, we've run into opposition, and the opposition has been, in my opinion again, the same opposition that the environmental groups were promoting to those activities.

I don't know how the relationship's going to be. I think that we've made a turn in where we're going, that we're involving other interest groups now other than just the power users and the water users in trying to formulate our posture, and it would have been interesting to see, with the changes that we're making, if Congressman Miller had stayed chairman how proposals that we've carried to him were going to be received, so to speak, by him after Dan Beard is no longer Commissioner. Because of their close relationship, at least for the last two years approximately, we've had a very good relationship with Congressman Miller, because Dan worked for Congressman Miller and they still have a very close relationship. He trusts Dan and that he's going to do what's right, I think, in the whole process.

But it would have been interesting to see, if we'd have gotten another Commissioner after Dan and Congressman Miller was still chairman, whether he would have been as receptive to someone that he didn't groom, so to speak, for the job, would have still been that good, whether it was just Reclamation that he was angry at or whether it was, in fact, the way we were addressing the issues, I guess is what I'm saying. If we changed the way we're addressing our issues and we couldn't build any better relationship with him, then maybe it was just the agency itself that he didn't like and the program. But I don't think that's true. Congressman Miller is a Westerner. He knows what Reclamation has contributed to the West, and I don't think it was a western. I just think from his perspective it probably wasn't being run the way he thought this agency should be run in the eighties and nineties, and so he took us on in every step of the way that we would go.

Storey: Did he ever call you or you call him?

Hancock: Oh, I have had several conversations with Congressman Miller. I'm not sure I had a lot when I was Regional Director. I had a lot of them with some of his staff people

30. Authorized by Congress in 1965, Reclamation planned the Garrison Diversion Project on the Missouri River to divert water from Garrison Dam to provide irrigation and M&I water. For more information, see U.S. Department of the Interior, Water and Power Resources Service, *Project Data* (Denver, United States Government Printing Office, 1981), 869-76.

when I was Assistant Regional Director in the M-P region. When I was Regional Director, of course I visited him when I got appointed to the position and introduced myself, although we already knew each other, and that kind of thing and told him what I was going to be about and that kind of thing, and that's when I found out how upset he was about Dave Houston's activities on the Coordinating Operating Agreement. He let me know in no uncertain words. And, of course, in Washington I had some dealings with him when I was Deputy.

But in terms of calling, I don't think Congressman Miller ever called me. I know I've called his office, but whether I ever talked to him when I called or not, I don't think so. I think it ended up some staff person or something called back when I was Regional Director. I'm thinking about that two-year window, approximately, when I was Regional Director in California. So, no, I haven't had an awful lot of interactions with the Congressman, more in the context of cocktail parties that were thrown by power users, water users, environmentalists than an office environment.

Storey: I guess I'm actually sort of poking around the edges of an issue I'd like to explore with you, though Miller's a special case for Reclamation.

Hancock: Right.

Storey: Once you get to the Assistant Regional Director and the Regional Director level, of course you're moving into the politicized hierarchy of the agency, and I'm interested in how that politicized part of the agency interacts and deals with congressmen and senators. And I'm also sort of interested, are there any sort of unwritten rules—rules—about what you do and what you don't do and that sort of thing.

Working with Congress

Hancock: Well, it just depends on—in my impression, there's no rules, although when Dan Beard came in, he said he wanted to handle Congress, and I think all the professional bureaucrats, the career bureaucrats, backed away from a lot of their congressional contacts, and because of Dan's close association with the Congress by having worked over there for several years.

But generally speaking, there's no rule. If I think I need to talk to a congressman or senator, I can call them, and depending on the senator or congressman, they'll call you directly. Senator [Richard] Bryan has called. I've talked to Senator Bryan here in Nevada. I used to talk to Congressman [Vic] Fazio regularly, and, in fact, we used to every once in a while we'd end up on a plane together. I was coming from Washington and he was coming from Washington back to Sacramento. Congressman [Wally] Herger used to call me from California three or four times a week. So it just depends on the personalities of the people in terms of how much direct contact you have with the congressmen or senators. Some of them prefer that you deal with staff rather than them. Congressman [Norman] Shumway, who was a very personable guy, got defeated by Congressman [John] Doolittle in California, I never dealt with him at all directly. I dealt with his staff, because that's the way he preferred to do it.

The way I liked to deal with them, I liked to deal with their staffs, but I also liked to give them a piece of paper. I don't like to just deal in oral communications with them, and let me tell you why. Because I know how congressmen and senators work, that they have a very busy, condensed schedule, and if I tell one of the staff people something and they have to relay that to the congressman, I don't have control over what that staff person tells the congressman, especially if they're running to the floor to vote on an issue. If I can give them a half page or a page of something in writing, they are really likely to give that to the congressman, that he can read on his way to vote, so he really gets my ideas about the issue rather than something that's been filtered by a staff person.

So I encourage all of my people, like now on the Hoover Visitors Center and the dealings with the Nevada Blind Association, we send periodic briefing papers of no longer than a page and a half to all of the congressmen and senators from Nevada to their staff people so that they don't get surprises. And the staff people can go in, and if they get calls they can say, "Okay, here's the current status of this as of February 22. The Bureau sent this paper to us, and the congressman knows where we are on that issue." To me, that's the most advisable way to do it. On specific issues, if they want ideas and stuff, like Congressman Fazio and—I can't remember his name. He's an Asian. Gee, that's a shame. Congressman—I can't remember the other. He's still there, too. All liked in California to talk to the Regional Director to strategize, have discussions, brainstorm about what's appropriate to do, and I found that very helpful, and I think very helpful to them because they knew where the Federal agency was coming from on the issues and they knew both sides of the issue, if you're willing to give them both sides. [Robert] Matsui. No, he was the one that retired. He's not there.

Storey: I don't know. There are as many congressmen in California as in the rest of the West.

Hancock: That's right. Other than Texas, you're probably right.

So that's the way I liked to deal with them, but you certainly politicize once you get to the Regional Director's level, and somewhat even to the Assistant and Deputy Regional Director. Bob's met with Senator [Harry] Reid whenever I'm not here, and they come out and visit and that kind of thing. And Senator Bryan, he meets with them and discusses issues.

That's the one thing that politicians, in general, like. They don't want to be surprised by issues in their district. They don't want to say, "I don't know." They go out to a constituent, and the constituent says, "You know, the damn Bureau of Reclamation is trying to kick the blind concessionaires out of Hoover Dam." He doesn't want some constituent to tell him that and he not have the foggiest idea about what's going on. He'd want the agency to at least where he can say, "Yes, I'm aware of that." He may not take a position on it, but at least he can say, "Yes, I'm aware of that, and I've been apprised of that situation." The things that we think that we are going to have strong controversy over and strong public opinions, one way or another we try to keep them in tuned to those. Now, you can't always anticipate, but you do what you can in terms of trying to anticipate which one's going to be that way.

Storey: Are there other kinds of things that cause a need for you to communicate with congressmen and senators?

Hancock: Not generally. We used to do a lot of that, and we stopped doing that from a budgetary perspective. This was before my watches as R-Ds, but I know it happened. If you couldn't get something through the administration—for example, if you had a pet project that the administration didn't want to fund, and you had a congressman with a pretty good relationship with and thought that he may see that project as a very valuable project for his constituents, you could go to him and get write-ins for the project and that kind of thing. But since our budget has declined so and we're trying to take a corporate view to our whole budgetary process, very little of that, if any of that, exists anymore. It's more now our constituents going and trying to get those activities. Now, I'm not saying that some of those seeds in the constituent's mind haven't been planted by Reclamation people, but generally speaking, Reclamation people don't try to go get funding. But that was an area that was real active probably in the seventies and maybe even into the early eighties, and maybe even up until the mid-eighties before we really got out of that posture of trying to get congressmen to give us or senators to give us more funds.

That's really generally the kinds of things that you try to do. People do it different ways. Some people like to give them periodic briefings, where they just go and sit down and talk to them and give them briefings and stuff on where we're going and talk about things that may concern them. I don't see a need to do that. I'd much rather just, as issues come up, try to make sure that they know about them before the press knows about them or before one of their constituents gets to them on issues like that. But, no, there's not a lot of other things.

Storey: So I think what I'm hearing is that most contacts are really to pass information one way or another to obtain information or to give information.

Hancock: That's correct. There's not a lot of other things that are going—I mean, right now I'm sure that Congressman Fazio and some other people, I just read that the C-V-P Association is going to try, under this Republican Congress, to try to get Public Law 102-575 amended and changed, and, of course, they were saying Congressman Miller is going to oppose that and Senator Bradley says he'll filibuster it to death, talk it death. So I'm sure that there's going to be some contact by Roger and Dan Beard and some other people, key people, that will try to convince them. So there's another thing, to convince them that the legislations don't need to be amended.

I'm sure that Dan Beard's going to be doing that. I'm not sure where Roger is going to come from. I assume that Roger's going to come from the same perspective. But you still may get some bureaucrats within the organization, even below Roger Patterson, that feel very strongly about that public law that have some friends, congressional friends and senators, that may want to get their two cents in on that, and they may feel that it does need to be rescinded or amended in its entirety. So in that case, someone else may be not speaking for the agency, but at least brings their insights to some of the problems with the legislation.

Storey: And hopefully very carefully if they're doing so.

Hancock: That's right. Absolutely.

Storey: One of the things we didn't get around to yesterday that I'd like to discuss is the reorganization that Dale Duvall, I think, launched in *Assessment '87*,³¹ I think it was, and '88, when the whole idea of how the agency was going to be managed was altered, and then what happened to that. Could you give me your perspectives on that?

Assessment '87

Hancock: Yeah. My perspective is that Dale Duvall wasn't involved in that very much. That was Jim Žiglar, Dave Houston, Joe Hall activity, and that Jim and Dave, and I can't remember who but there was a third person, because they brought Joe Hall back from the Western Area Power Administration [WAPA] to head up that assessment team during that time.

Basically, I believe that the *Assessment '87* was right on the mark. I mean, if you go back and read it, it basically, in terms of outlook for the future, says everything that CPORT³² says in terms of what Reclamation will be doing in the future. I didn't go into some of the management issues and some of the staffing issues that the CPORT went into, but in terms of just the forecast of what this agency was going to be doing in the future, I think *Assessment '87* and CPORT are very close together on that aspect. So that was kind of my assessment, was the initial change in Reclamation's mission from kind of a civil works agency to a water resource agent or a water resources management agency.

Problems with Centralization

There were a few things, of course, when you look at organizations, there are a few things that I thought shouldn't have been done. One was the way the centralization of finance was done. They tried to take finance and move it all to Denver. I'm not a big opponent of centralization of people. I have no problems with centralization of management, so to speak. But I believe that the client and the servicing organization need to be as close as they can physically together. We had an awful lot of trouble with our financial system for years after that, and we're just getting back to really having a smooth-running finance system. They thought that they could do kind of what the personnel people said that they were going to do this time, and they never got anywhere. They were going to take all these people and put

31. *Assessment '87* proposed utilizing Reclamation's engineering and technical resources in a new manner to better operate existing facilities. In addition, proposed new projects would be smaller in scale and rely more on funding from "non-Federal finances." Reclamation would work closely with other Federal, state, and local agencies on water resource problems, especially those concerning environmental protection and water conservation. For more information, see *Assessment '87 ... A New Direction for the Bureau of Reclamation*, 1987.

32. The "Report of the Commissioner's Program and Organization Review Team" which Reclamation published in 1993 is commonly known as the CPORT (pronounced "see port") report. It was one of two major 1993 documents produced during Commissioner Beard's reorganization of Reclamation. The other document was Commissioner Daniel P. Beard's *Blueprint for Reform: The Commissioner's Plan for Reinventing Reclamation*.

them in little centers around the country to serve in that—

Storey: For the whole of Interior.

Hancock: For the whole of Interior. And that may be a good concept, and it may work in personnel. But in finance and Reclamation, where finance is kind of specific to Reclamation, you've got to know a little bit about Reclamation in order to be able to do their books.

People don't necessarily want to move, and so what they did was, a lot of people didn't move to Denver. They left. They abolished their job in the region and they said, "The hell with you. I'll go get a job somewhere else." And so now you don't have the resources to do your job. You don't have it in Denver and you don't have it in Sacramento and Boulder City. So how do you do your job during this tough time of transitioning from a decentralized to a centralized approach?

My perspective is that if you're going to centralize things, that the best way to centralize them is to leave the people alone and say, "Okay, now this dispersed organization, instead of reporting to each of the Regional Directors or state directors or whatever, you now report to this central czar and let that person decide what's the best way to distribute his resources to meet his customer's needs," instead of someone outside of that group saying, "We know that we can move all of these people to Denver and it'll take less people."

Well, I'm not so sure that that's the case and whether you can deliver the services, even that's the same thing with personnel. A manager probably wouldn't resist his personnel shop here reporting to someone in Washington as long as they were here in this building and servicing them, because you build a rapport with the client and with who's giving you the service. When you can walk down the hall and say, "You really screwed this one up, guy," and when you can walk down the hall and say, "You did a great job on this one," you build that kind of relationship that you can't build from a thousand miles away or even 500 miles away, and that's what a lot of people are beginning to understand.

When you're in the service industry, you've got to be able to respond, you've got to be able to respond very quickly, and you've got to do it in a very courteous and professional way or you don't get the business. I think that's the same thing that's true in the government, that if you remove the customer and the people who are providing the services, you hurt yourself. So to get back, I think they would have been successful, more successful, if they had of just left the people and let that person decide.

The other one was, of course, the grand old centralization of planning. I mean, that was a disaster to Denver. In a lot of those cases, people did go. Most people working in accounting can get a job in the locality. Engineers and planners may not be so fortunate, because an accountant is an accountant. As they say, you can train them pretty quick. But an engineer, if you've been doing Bureau of Reclamation planning forty years or twenty years, you may not be able to go across and do highway

designs. So even an engineer may not be as mobile as an accountant is, and I think we found that out when a lot of our engineers went.

And again, the same problem. How do you plan for a project in Denver that's in the state of Washington? In order to plan a resource management activity or a facility in the state of Washington, you need to work with the clients. And what I found was that the people from Denver were always coming to the regions in order to try to do their work, so it's more costly with all the travel time. So you eat up everything else with the loss in travel time and additional costs and expense of traveling, but you may save in terms of consolidating those people into a central location.

People played games. People knew it wasn't going to work, so people played games with that process. Some of them moved their people to at that time project offices so they could hide them instead of being in a regional office, and all kinds of games. So Denver never did get off the ground with that planning activity at all. They never got the resources. They never got the money, the commitment of the money to do the activities. So it was just, that one was a total disaster, and that finally got reversed and went back out.

The last one, of course, was the good old Washington Office and what was done to the Commissioner's Office, per se. My perception of that was that that was a power struggle on Joe Hall's behalf to, in essence, be the Commissioner of Reclamation, and I don't know whether he did that deliberately or not.

Storey: I noticed you said "on behalf of" not "by."

Hancock: Right. In other words, if you've got the staff and the resources at your disposal—and I don't know whether it was by or not, but it may have been by both Ziglar, Houston, and Hall collectively may have said, "We think Reclamation should be run out of Denver, and the way to do that is to get your policy people out of Washington and in Denver," because the first proposal was that we were only going to have, I don't know, nine people, six or nine people, liaison people in Washington with the Commissioner.

Clearly, if you're giving him that small a staff, he was going to be totally reliant upon the Deputy in Denver and the Regional Directors, because he would have had no staff at his direct disposal other than those whatever number, fifteen, I don't know how many there were, liaison people in Washington to conduct any business. Unless he was going to prepare his own testimony to testify on issues, he couldn't even have anyone prepare him testimony. Now, people could prepare it in Denver and the regions and provide it to him to review and etc. And then Congress stepped in and kind of changed that, and we ended up with some of the critical—well, some of the functions stand, like contracts and budget, and then we went to a pretty good-sized liaison move, as well, in terms of keeping them in Washington.

My theory was that if they were going to do that, then they should have gone to basically what Western Area Power [WAPA] did. They should have moved the

Commissioner to Denver, as well, and—

END SIDE 2, TAPE 1. FEBRUARY 23, 1995.

BEGIN SIDE 1, TAPE 2. FEBRUARY 23, 1995.

Storey: This is tape two of an interview by Brit Storey with Lawrence F. Hancock on February 23, 1995.

You were saying that probably the logical thing would have been to move the Commissioner to Denver and then clearly you knew where the Commissioner's Office was and everything.

Moving the Commissioner's Office to Denver

Hancock: That's right. Jim Ziglar was a very strong Assistant Secretary, and he liked working with the Bureau of Reclamation. When you get a strong Secretary like that, that likes working with the Bureau of Reclamation, it's pretty tough for a Commissioner to be effective and have their way with an organization, because you've got your boss, really—I mean, I don't think we had an E-M-C meeting that Jim Ziglar didn't attend when he was Assistant Secretary. John Sayre very rarely attended, maybe one or two, and Betsy [Rieke] has been to maybe one of the meetings that we've had. So you can kind of see the difference and the style.

Personally, I think that move was the wrong move, unless you were going to move the Commissioner to Denver. In fact, what I would advocate now is that the Policy Analysis Group, as we were talking earlier this week, probably should be in Washington. They are the Commissioner's policy staff, and they're the ones who should be in Washington, and it's a relatively small group as policy people go, and it should be kept—I don't know, what is it, ninety, the policy side?

Storey: Right now it's about sixty, I believe. It's shrunk a little bit.

Hancock: About sixty people is about what it should be, and it shouldn't be allowed to grow much past that. In fact, maybe it could even shrink a little bit below that. And that's probably the kind of staff that's needed in Washington. You need some people to interface with the other agencies, the other bureaus and other agencies at the Washington level need people to attend meetings, to work with O-M-B, and all kinds of activities that you go, and you need your budget people. So those are the two, your budget people and your policy people in Washington, and that's basically what a Commissioner needs.

So even this latest reorganization—and I guess you never get an organization right, but hopefully it's right enough that it works. I think that it's working pretty smoothly right now.

Storey: Good. One of the last things I'd like to talk about today is, as a result of my interviews this week, I suddenly have finally begun to realize that unlike in other areas, Reclamation controls the lower Colorado River and where the water is going to

go in a detailed sense rather than in—you know. The Colorado River Compact says who's entitled to what.

What I'd like to ask you is, basically that makes you, as the Regional Director, the Colorado River Lower Basin watermaster. And you've been here now about nine months, a year?

Hancock: I came out in June last year, May.

Storey: So maybe nine months. How would you characterize being Regional Director here and the differences from being Regional Director in California, where you had a more traditional water system? You had to deal, I think, with lower Oregon, Nevada, and California in that job.

Differences in Being RG in Lower Colorado Region and Mid-Pacific Region

Hancock: There's not an awful lot of difference, and let me tell you why. Because you still have irrigation districts and municipalities that you really contract with to make the actual deliveries to specific home dwellers or irrigation lands. So from that perspective, it's generally the same. You're trying to work with the states to make sure that even as watermaster you are doing things in accordance with the way the state would like for you to do things in their state, Arizona or California or Nevada.

Where the difference comes is that you have some authorities over here that I don't believe in the past we've ever executed, and we may get into in the future, if we ever get our rules and regs in place to do that. And that is normally in the M-P Region if I thought that someone was not using water beneficially—say if was California—I'd go to the state of California, the State Water Resources Control Board, and say, "I don't believe this entity is using this water for beneficial use." And the state of California would investigate that and say, "I agree," or "I disagree."

Here, I have to do that. My staff would have to do that. If I thought someone was not using water for a beneficiary-use purpose, then we would have to conduct the investigation. I would have to be the person who says, "You're not putting this water to beneficial use." You have that much authority as a watermaster. Now, you may be contested by that individual through the state, even on the Colorado River, but at least you would have the responsibility of making that initial determination whether they were putting the water to beneficial use.

I don't think we've exercised that very much at all, and so there is, in essence—and I guess in a practical sense, on a day-to-day basis there's not a lot of difference. I mean, they develop an operating plan here. You develop an operating plan. What kind of facilities are you doing? You approve the water deliveries. You approved the water deliveries in California based on the amount of supply you have, the same way you do it here.

The two things a little bit different over here, from my perspective, in some cases you don't have as much flexibility here as you do in some other areas. The

Boulder Canyon Act wrote an awful lot in the law, such as the price of the water, 50 cents an acre foot for M&I use and 25 cents an acre foot for Ag. I mean, that's in the legislation. So I can't tell the city of Los Vegas that you're going to pay me market value for this water or anything else for this water. The law says I can only charge them 50 cents an acre foot. In California, I can charge those rates.

Also, the Boulder Canyon Act, under a lot of people's interpretation—I've read it, and I can see how they got to that interpretation—says that you will enter into a contract in perpetuity for the water. So there's no term on the contract. They're entitled, unless you enter into a contract with them, it's in perpetuity. That, in a sense, gives you less flexibility in this system than you have in some of the other Bureau systems. Now, people will argue with me and say, "Well, if you've got a repayment contract, you don't have any more flexibility than this," because the repayment contract, a lot of them, are in perpetuity, as well. Once they pay out their debt, their contracts stay in place, but it's in perpetuity.

The only thing you've got a lot of flexibility is on the water service contracts, like the C-V-P and some of the ones up in the Pacific Northwest, which had a fixed term and they continue to pay. There is no pay-out term. It's like, you always have to pay for the O&M and those kind—and that's the other big difference over here. Congress decided that the power users and flood control were going to almost pay for all these facilities. So there is essentially no indebtedness on the water user's behalf other than for their distribution systems, and to me that makes a big difference in the C-V-P. I mean, sure, Hoover was built in 1930—something, and in today's market, that's a valuable asset that we got very cheaply in that time. But also, the C-V-P was built relatively early, too, but still, the water users have to pay their share of their debt. They didn't [put] the entire burden of the C-V-P on the power users like they did on the Colorado River.

You know, you can say you have more authority over here, but you have more authority to do what? You may have more authority to do less than you have in some other areas, like—I don't know a good analogy, but it's like saying, "I have authority over the town of Boulder City," and you find out the town of Boulder City is only two people, your family and your mother's family. So you've got authority over your family, which is about the same thing as someone saying, "I have authority over my family." But it sounds more impressive to say, "I have authority over Boulder City," than it does to say, "I have authority over my family." So I'm not sure that when we say we have a watermaster's role, the only thing that we have is that the Secretary has to approve, in theory has to approve everything that goes on here; where in California or in a lot of other states, if you can get the states and all the other entities to agree to do something, you can go implement it and say, "The Secretary doesn't have to approve it."

Example. The operating plan for the Colorado River has to go to the Secretary for the Secretary to sign to send to the states. Okay. The operating plan for the C-V-P, never leaves the state, the Regional Director can sign that plan. It doesn't have to go—and in fact, I don't even think the Regional Director signs it. I think the operating staff puts together the plan. In fact, I know they do. When I was there, they

distributed the plan to those people who need to know about the plan.

But on the Colorado River, everything is so formal that it's got to go all the way up to—it's formality. I mean, it's got to go up to the Secretary, and the Secretary has to send it to the Congress. Now, the Congress doesn't have to approve it, but the Secretary is actually the one who signs the letter, that sends the annual operating plan to the states and to the Congress. Well, I don't think that happens in any other region. So from that perspective, from a formal perspective, you can say, "Yeah, we've gotten more authority." But in reality—and I've been here a short time. Maybe I'll learn that I have more authority than I think I have. But in this short time frame, I haven't seen a whole lot that we have in this region than any other region that has a water basin that's interstate in nature, that if you go across those state boundaries—well, Truckee-Carson [Newlands Project]. That was in the Mid-Pacific. I mean, when you did something on the Truckee-Carson, you had to deal with both Nevada and California, because the storage facilities were in California and the use was in Nevada, and so you had to work with both states to get that whole process worked out. But it didn't have to go to the Secretary for any kind of approval.

So that's the only—you know, I hear people talking about it, and I say, "Be careful how you say." I agree that in theory the Secretary and the region is like the State Engineer's Office for California here or the Department of Water Resources in California for Nevada, Arizona, and Southern California. But in reality, we've never functioned that way, and I don't know whether we ever will function that way.

Storey: Wouldn't it be true that the political considerations temper the way that authority would be exercised?

Lower Colorado River Rules and Regulations

Hancock: That's right. That's right. It would be interesting to me to see what will happen on the rules and regs, and the rules and regs that we're issuing now is a good example.

Storey: For what?

Hancock: For the operating criteria for the lower Colorado River. What we thought we would do, we wanted to collect these to cover our costs on a lot of activities. Well, at 50 cents an acre foot and 25 cents an acre foot, no O&M charge did they have to pay because the power users pay that, we don't get any money. So almost all activities that we do that another region that would do that would be reimbursed by the water users, is not reimbursable in this region. We get appropriated dollars, and it's non-reimbursable in this region.

I don't think that's right. And so what we were trying to do in the rules of regs, one of the things we were trying to do was to get a fee structure in place that required the water users to at least cover the costs that we're doing in terms of administering the river. That's just one little item now. The other one was, we were defining beneficial use, so if we ever had to go in and decide that someone was not using water beneficially, we would have something written that says, "Here's how we determine

beneficial use. This is what we think beneficial use is." So those were the kinds of things that we are putting in our rules and regs.

We drafted these rules. We sent them all the way up to the Secretary. The Secretary himself didn't know. He was in some meeting. And we issued—no, we didn't. We sent them out as an informational thing, and the whole lid came off in this place. "What do you guys think you're doing? This is the craziest thing. You shouldn't be doing rules and regs." And we had transfer provisions in them, too. That's one of the other things.

Storey: Water transfer?

Hancock: Water transfers, yeah. We thought this place was going to explode because the Secretary was trying to exercise his authority as watermaster, and the states' saying, "Whoa, whoa, whoa. You're not going to do this!"

So what are we doing? We put them on hold, and we're now negotiating with the states to try to at least address the water transfer issue, the water marking or transfer issue, to see if we can get some kind of agreement on how we should rewrite that portion of the rules and regs for the Secretary to approve.

That would be no different in the Truckee-Carson if you were going to do that. It may not have to go to the Secretary's level in that particular case. If Roger Patterson and Dave Kennedy and whoever the state engineer is for Nevada, and the northern Nevada area could agree and get the environmental groups and the water users and everyone to agree, they could put some rules and regs in place, and this is how we're going to operate the Truckee-Carson. The Truckee-Carson didn't only go to the Secretary. It went to Congress, and they wrote legislation on the Truckee. So the Truckee-Carson is a bad example, but it didn't go to the Secretary and didn't go to the Congress because the Secretary was not the watermaster. It went because they couldn't agree and it was controversial and they had to shove something down somebody's throat.

I'm sure that that has a good chance of happening over here. If we don't agree, it's not going to stop at the Secretary. It's going to go all the way to Congress for them to change. So I don't see the practical difference. I have never really seen the practical difference in the role of this region and others.

So that's what we're trying to do. I was answering your question about what the rules and regs. Water conservation was a part of the rules, but we've taken that out now since we've put water conservation activities somewhere else. There are a lot of provisions in the rules and regs that you go through.

So that's what we were doing, and it's interesting. I know the people who've been in this region for a little while take a lot of pride in saying, "We've got more responsibility on the river." And I don't discourage that kind of conversation, because in theory we do, but then when I ask, "What is it that we do differently that another region would be doing it, again working in an interstate environment?" and what they

point to is the Upper Basin, where diverse states make decisions on how they're going to use their water, and I said, "Okay."

Differences in Operating the Lower and Upper Colorado River Basins

The same thing in the Lower Basin, that if—I don't know of any case, where California, using their 4.4 million acre feet, if Met [Metropolitan Water District] said that—let me put it another way. If Imperial [Irrigation District] said, which is one of the highest priorities, "We have no need for all this water. We'd like to assign this water to Metropolitan, or a portion of it to Metropolitan."

Storey: MWD, Metropolitan Water District.

Hancock: Yeah. Is the Secretary going to say no or am I going to say no? No, we're not going to say no. But we have to approve it.

In Colorado, the Secretary wouldn't have to approve it. The state could approve it in Colorado, and that maybe is the best example of what the difference is between the Lower Basin states and the Upper Basin states. So I guess you could say there could be some that would come up that the Secretary would say no, but I don't know of any yet that we have said no and I can't even foresee any that we would say no on, other than if it was something from Arizona to Nevada or vice-versa, or California, where there are two states, or two or more states involved, and we may say that that's not permissible under the legislation and the litigation that has taken place on the river that is not within the current laws of the river. So if you want to do that, we'll have to change the laws of the river, and that takes an act of Congress or it takes another court battle in order to change it. So I guess in a sense we are kind of the final interpreters of the law of the river, unless there's a dispute again, and then it goes to court.

Storey: I take it the Boulder Canyon Act was like late 1920s [1928]?

Hancock: Yes.

Storey: So we are still providing water at 1920 rates, basically?

Hancock: Right.

Storey: Okay. Well, I think we've reached the end of my questions. Did you have anything that you think you ought to talk about now?

Hancock: I'm trying to think if there's anything else I want to—I can't think of anything right off the top. You asked Bob Johnson a question at lunch. Oh, I know what it was about, the management issue, when and how did he decided he was going to get in management.

Storey: Oh, yeah. I'd like to ask that one of you.

Getting into Management

Hancock: Did it just happen or did you plan? Let me put it this way. I was a relatively good student in engineering, but I wasn't an outstanding student, and I hated sitting behind a drafting board and doing drawings and that kind of thing. I think I got into engineering because of my math skills and my desires to do something a little different than I'd ever been exposed to before, but I think if I had to go back and choose a profession now, it certainly wouldn't be civil engineering, in terms of retrospect. Not that I'm dissatisfied with what I've got, but it would be something more in business or dealing with people. It wouldn't have been the sterile engineering career that I had.

And I recognized that very early, that although I have a degree in engineering, this is not something that I wanted to do for the rest of my life kind of activity, so I was going to make an asserted effort to get out now. I did like computers. I went back to school and took a lot of courses, because we didn't have that much computer sciences when I was in engineering school, and when computers became popular, I took a lot of computer courses and got pretty efficient in computers. And I did like working in that arena even better than I did in engineering, because it was a very challenging, to me, challenging kind of activity, and success or failure came very quickly. I could design Hoover Dam, and I could be dead before I knew whether it was a success or a failure in terms of an appropriate design. But if you did something on the computer, the computer tells you right away whether you're right or wrong, and I like that immediacy of that. I wouldn't be a very good historian, either, because I want some kind of immediate gratification, or at least immediate recognition, hey, I did something great, or I did something wrong, let's go fix it, that kind of thing.

So that's why I decided that, if I was going to stay with the Bureau, I had to get into management, because I wasn't going to be a very good engineer for the Bureau of Reclamation, or anybody else. It was probably, like I said, in 19—I'm guessing, somewhere between '68 and '70, when Bob Pafford was the Regional Director in the Mid-Pacific Region. I had an occasion when I asked to visit with him—which is another whole story. I won't go into that. And he agreed, I was like, I don't know, GS-11 engineer, and he agreed to meet with me. When I got up to leave when our meeting was over, he said, "By the way, where are you planning to be ten years from now? What are you planning to do?" I said, "Well, I'm going to have your job, and I'm going to have a computer on your desk. I'm going to replace all that paper on your desk with a computer." He said, "Like hell you are." [Laughter] And so it wasn't ten years after that. It was a lot longer than ten years after that that I was in that very same office, and there was a computer on the desk, although there was still a considerable amount of paper on that desk, as well, I'll admit to that.

So I did plan to go into management. I did develop an individual developmental plan, and I'm probably not an exception where it's amazing how they say you should set your target, when you're doing your long-term career plan, you should always set your target higher than you really ever anticipate achieving. So I was telling him something that I thought I would never achieve. For the thing I said, "Oh, if I get to be a division chief," or something. That was kind of my realistic thing

in a piece-by-piece step. But they say you always should set your goal even higher than what you think you're going to achieve. And so it's interesting that I actually went higher than what I even in my wildest expectations expected to go in this organization, because I ended up being Deputy Commissioner for a while and having all the Regional Directors reporting to me for a stint there, too.

So I can, yes, I did plan my change. I did take supervisory courses. I went back and took some courses in business and managing people in night school and stuff when I was in California, so I continued my education to prepare me for what I wanted to do. And that's why I don't have—I don't know, I don't have a lot of sympathy for people who sit around an organization and say, "The organization hasn't done anything for me." And I look at them and I say, "Well, what have you done for yourself?" And they can't tell me that they've taken any course on their own time. They can't tell me anything that they've done at their own initiative to prepare them for where they think they ought to be in an organization.

It's really tough for an organization to turn a person down that gets the necessary education and skills on their own and not asking the organization to provide that opportunity for them. And what I tried to do was to make sure that every time someone would say, "Oh, but you don't have this," that they would never be able to tell me that a second time. When they said, "You have no supervisory experience," when I was applying for a supervisory position, the next I went for a supervisory job, I would have some supervisory experience. I'd get it through the Jay Cees, I'd get it through the Y-M-C-A, I'd get it through some kind where I could document that, "Hey, I have a group of people that I'm supervising. It's not in the Bureau of Reclamation, but you can't tell me I don't have supervisory experience. Call them and ask them. I'm working with these people three nights a week. I've been doing it for the last year or last two years. I have supervisory experience."

That's what a lot of people don't recognize, their own responsibility to overcome the obstacles that an organization sometimes will put in front of people for them not advancing. And then if you remove those obstacles on your own, it makes it real tough for people to keep telling you that you can't. I—

END SIDE 1, TAPE 2. FEBRUARY 23, 1995.

BEGIN SIDE 2, TAPE 2. FEBRUARY 23, 1995.

Storey: You were saying that it's really tough for an organization to turn you down if you go out and get experience—

Senior Executive Developmental Program

Hancock: Yourself. When I went to the Senior Executive Developmental Program, [I] was selected for that, that was advertised for Regional Director's position. There were two of us that were selected in that program, and we went through the program and I came out and I went back to my same job in Denver as Director of the Data Processing Shop in Denver as a 15.

It was really interesting that even after going—and it was advertised, the development program was advertised for people to be R-Ds. I kept getting, every time an R-D's job would come up and people would say, "The reason we didn't consider"—and they didn't have to compete it. They could have put me in the job, because I completed the developmental program. And I'd call the Commissioner, I'd call Assistant Commissioners and say, "Why didn't you guys consider me for this job?" They'd say, "You've never been an assistant R D." And I said, "Oh. Well, why wasn't that a requirement on the vacancy notice when you advertised the developmental program?" "Oh, we didn't—" I said, "You know, I should never have gotten selected for the developmental program if one of the requirements to be an R-D was to have experience as Assistant R-D." And so I said, "Okay, I know how to resolve that." That's an easy one to resolve. So I became an Assistant R-D.

Storey: Now what are you going to do?

Hancock: Now what are you going to say? What are you going to say the next time one comes up and you say. And that's what I eventually had to do, but it was just that kind of process that people don't learn in an organization, and especially minorities. White males understand the system, have understood the system a little better. They may be getting the short end of the stick now as we turn around. But they always understood how the system worked, and they knew how to go through the system.

In fact, I saw a comment in something I was reading, I can't remember what it was, where a white fellow said, "I was born white. I was born male." He was like sixty-two years old or something. "And I was born to relatively intelligent parents, two intelligent parents, and I'm relatively intelligent. You know, I've really got to work hard to screw up not being a success. I can't really relate to this stuff. Hell, I never even thought about what you should do and what you shouldn't do, because it was always a given to me that I could do anything I wanted to do." He said, "Now times are changing. I can understand the frustration in looking at the white males today, because I never had to be worried about that." He knew that if I did things reasonably well, I was going to be rewarded, he was going to be rewarded for that whole process.

Well, I came from a whole different generation, where it wasn't that. So you had to figure out the system and figure out not how to break the system or bend the system to accommodate you, but how you could make it so that the system had no more excuses not to accommodate you. And that's basically what I set out to do, and that's the only way. Now, minorities and women are not willing to do that today, but the time that I came along, you either did it that way or you didn't get very far. Even if you tried to make the system bend and break, you still didn't get very—you may have had some short-term successes, but that was about it. You didn't have these long-term successes. Okay, I added a little more than I—

Storey: That's good. I hate to say it, but I thought of one more question I'd like to ask you.

Hancock: Okay.

Storey: Where were you in Reclamation and what do you remember about when Teton Dam failed and the way the organization reacted to it?

Teton Dam

Hancock: That's interesting, because I know exactly where I was and what I was doing. I was in California, in Sacramento, California, and I was the head of the Data Processing Shop in Sacramento. I hadn't heard about Teton, and I went into Ed Horton's office, who was an Assistant Regional Director there, and he was sitting in his desk and he was weeping, crying. I said, "Ed, what in the world is wrong?"³³ He said, "We just had a dam fail. Teton Dam failed." And it struck him that—Ed was a long-time career Bureau guy. I don't know whether his father before him was or not, I don't know. But a very well-respected guy who came out of the construction field, and it hit him that hard.

It didn't hit me quite that hard, but it certainly was a blow to think that we could have a dam that would fail. And you know, the second thing that came to my mind was, I am very glad that I didn't want to be a good engineer and I wasn't the person who designed that dam. I thought to myself, "They probably had a guy in there like me who shouldn't have been an engineer to start with." But it probably didn't turn out to be anything like that. It was probably the geology that caused it to fail. So that's where I was.

Storey: Do you remember what day of the week it was?

Hancock: No, I don't. I think it was a Monday, when I came in, because I think it failed over the weekend.

Storey: Yeah, I think it failed on Saturday, maybe.

Hancock: Failed on Saturday, and it was Monday, I think, when I walked in his office and he had just found out that it had failed. And a good friend of mine, Ron Vissia,³⁴ was the R-D in the P-N Region when it failed. He started out in Sacramento, and we were pretty good friends. But he was the Regional Director up there.

Storey: I'm hoping I can interview him this summer. He's in Egypt until mid-July, but living in Gray's Harbor, Washington. It's going to be terrible duty.

Hancock: Yeah, right. [Laughter]

33. Teton Dam was planned as the major feature of the Teton Basin Project in eastern Idaho. On June 5, 1976, shortly after construction was completed when filling the reservoir, the dam suffered a catastrophic failure, causing over billion dollars worth of property damage and 11 casualties. For more information, see Andrew H. Gahan and William D. Rowley, *The Bureau of Reclamation: From Developing to Managing Water, 1945-2000*, Volume 2 (Denver: Bureau of Reclamation, United States Department of the Interior, 2012), 820-832.

34. Mr. Vissia served as Regional Director for the Pacific Northwest Region, 1974-1980 and Assistant Commissioner Engineering and Research (ACRE), 1980-1982. For more information, see Rodney (Rod) J. Vissia, *Oral History Interviews*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, in Ocean Shores, Washington, edited by Brit Allan Storey, 2011, www.usbr.gov/history/oralhist.html.

Storey: Let me ask you again. I presume that you would like to limit access to the cassettes and transcripts until one year after you leave the Bureau of Reclamation still.

Hancock: Which may be very soon, based on my hate Arizona comment.

Storey: But that's a yes, right?

Hancock: Yes.

Storey: Okay. Thank you.

END SIDE 2, TAPE 2. FEBRUARY 23, 1995.

BEGIN SIDE 1, TAPE 1. JANUARY 16, 1997.

Storey: This is Brit Alan Storey, senior historian of the Bureau of Reclamation, interviewing "Larry" Lawrence Hancock, former Deputy Commissioner of the Bureau of Reclamation, at about ten o'clock in the morning, on January 16, 1997, in the offices of the Lower Colorado Region in Boulder City, Nevada. This is tape one.

Let's see. I'd like to talk about Central Arizona Project and C-A-W-C-D [Central Arizona Water Conservation District]. I think the time when you were Regional Director here, is about the time we got sued by C-A-W-C-D, probably. What was going on, from your perspective sitting up here in Boulder City?

Negotiating with the Central Arizona Water Conservation District

Hancock: Well, they actually sued us after Bob Johnson³⁵ became Regional Director, but clearly the negotiations and a lot of the activities that led up to the lawsuit or to the impasse, so to speak, was done under my tenure as Regional Director. One of the things that I did when I came on here as Regional Director, because those negotiations had been going on prior to me becoming Regional Director. When I came out they had assigned Don Glaser to the lead the negotiating team. I really stayed out of the formal negotiations, and I stayed out of negotiations at all.

Bob Johnson, who was my Deputy Regional Director at the time, participated in the negotiations and, of course, kept me briefed on the status of the negotiations and how they were proceeding. But in terms of any formal participation, any formal recommendations on how the negotiations were going with C-A-W-C-D, I had zero participation. Then when Don ran into problems in getting the negotiations, Betsy Rieke became personally active in the negotiations, and, again, I just stayed out of that process. Now, it didn't stop me from knowing how the negotiations were going and some of the major issues that were being involved or not. Certainly it didn't stop me

35. Mr. Johnson served as Commissioner of the Bureau of Reclamation under the George W. Bush administration, 2006-2009; before that he was Regional Director of the Lower Colorado Region, 1995-2006. For more information, see Robert (Bob) W. Johnson, *Oral History Interviews*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, from 1994 to 2008, in Boulder City, Nevada, and Washington, D.C., edited by Brit Allan Storey, 2011, www.usbr.gov/history/oralhist.html.

from having a personal opinion about the whole process, which I think is kind of unique for a Regional Director to do that. I just didn't think that it was appropriate to interject another personality into the negotiating process in that portion, because they were so far along by the time that I came out here, and they were having so many difficulties in trying to get the negotiations done, I thought it was appropriate for me to stay out of it.

It is interesting that I was asked on several occasions when I was giving speeches in my capacity as Regional Director, what I thought about the negotiations and etc., and most of the times, in fact, I refused to comment since I was not a participant in it. But on one occasion, when I was giving a speech, in fact in Reno, Nevada, I can't even remember the name of the association, but it was a power association from the three lower basin states, from California, Nevada, and Arizona. Some of the participants from Arizona just insisted that I give them my personal opinion about how the negotiations were proceeding, and where they were going, and so I did. It was probably a mistake on my part, but I certainly gave them my opinion.

I also gave them my opinion, somewhat, about Arizona, as I saw it, a personal opinion, which probably the Secretary didn't appreciate, since the Secretary, [Bruce] Babbitt, is a resident of Arizona and actually born in Arizona, and he probably didn't appreciate my perspective on Arizona, like a lot of the participants at the meeting didn't. It generated some letters from some of the participants at the conference to the Secretary, essentially asking him to remove me from Regional Director. They didn't quite—they didn't say, "Remove Larry Hancock as Regional Director," but they said that they didn't see how I could be fair in my dealings with Arizona if I had that low of an opinion of Arizona.

Basically, what I said about the negotiations, and I'm paraphrasing a little bit, because it's been a while ago and I haven't gone back and rehearsed or memorized what I said. But basically what I said was that I thought it was somewhat absurd for Arizona to be taking the position that they're taking in the negotiations. I gave some examples, that Arizona, at least at that time, was the state who provided welfare recipients with the lowest revenue of any state. They were a very conservative state. They did not like programs where the taxpayers of Arizona had to subsidize other people in order for them to make a living or to survive.

I said, it's kind of unique that when it comes to Federal subsidies to Arizona, that Arizona always have their hands out, and they want more than their fair share, in my opinion. I made this analogy to say that they were being unrealistic, in my opinion, on the negotiations on their repayment obligations on the C-A-P. I said, you know, they're getting a 50 percent subsidy in this whole process, if you look at it, in fact, it may even be more than that, that the project cost like \$2 billion for the United States to construct, and we were only asking them to repay approximately 1 billion. I'm just pulling these numbers out of the air. They were at the table negotiating and fighting over a few million dollars in this process, and I said it just didn't seem that Arizonians were fairly considering the taxpayers of the United States like they consider their own taxpayers.

It doesn't work both ways. If you don't like giving people subsidies, then you shouldn't like receiving them either. Arizona really liked receiving subsidies, but they don't like giving anybody any subsidies. I think that really irritated some of the people in the audience from Arizona that I would make such an observation, so to speak. And that's it. I mean, Betsy called me and asked me what I had said, and I told her basically what I've just told here. I think she called someone at the Salt River Project to confirm that that was the thing. Because some of the people who were writing the letters and, I guess Betsy and the Secretary had a very tough decision to make. They wanted me out of the job, so they negotiated that.

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I told Betsy, at the time, I said, "Look, if I had to do it over again, I'd say the same thing that I said." I said, "I think that it's true." I said, "I understand that I probably shouldn't have said it if I wanted to stay in this particular job, because it's the Secretary's home state, but I've said it, and I can't change what I've said. If the Secretary doesn't want me in this capacity, then fine, find something else for me to do." That's what they eventually did; they found something else for me to do.

So in retrospect, I think it was the right thing to say. I may not have carried it quite as far as I carried it, if I could turn the clock back and do it again. I probably wouldn't have made some of the analogies with welfare and some of the other aspects that they've done. Martin Luther King [Jr.] Holiday, for example, they claimed for years was too expensive for them to honor because of the cost it was going to cost the state employees and the whole act. So I really kind of attacked the state of Arizona, rather than the people who were negotiating. I probably would not have carried it quite that far, but other than that, I have no regrets.

I think I ended up with the best job I've had in Reclamation, my last year or so, before retirement. I didn't have any people to supervise. I had assignments working directly for the Commissioner that I could pick and choose, and didn't even have a secretary, so I got computer literate again, and was able to work during that whole process. From my perspective, it worked out great for me. I had planned retirement when I was fifty-five, I was a little bit late in doing that retirement because of the moves that I had made from California to Washington, and then to Boulder City, Nevada. I lost some money in those moves, primarily on real estate, and I couldn't afford to retire when I was fifty-five, so I ended up working until I was two and a half years older than I had anticipated. But my retirement plans were to leave as soon as I was eligible anyway, so this came along and gave me a great opportunity to close out my career and retire.

My statement didn't have any influence, I don't think, on the impasse that the United States and the Central Arizona Water Authority actually ran into in their negotiations, especially since everybody who was participating in the negotiations knew that I didn't have any role. I didn't even have an advisory role. I mean, when you get someone that's as high as the Assistant Secretary sitting at the negotiating table, and a Regional Director is not at the negotiating table, his Deputy is at the negotiating table, clearly I didn't even have a—I mean, people understood that I didn't

have an advisory role in that whole process. So I don't think what I did had caused any of the lack of successful negotiations.

Problem with Federal Subsidies

I think it's just a clear case, and it's, you know, again, my opinion, clear case that the people in Arizona who associated with this project want every nickel that they can possibly get from the Federal taxpayers, and if they can't get it in negotiations, they're going to try to get a court to award it to them. I think it's a case of, "Hey, we want as much subsidies as we can get." I think that's one of the basic problems in this country, that everybody wants their subsidies, but they don't want to subsidize anybody else. Until we can change that attitude in this country that, you know, if you're going to stop subsidies, you ought to look at yourself first and say, "What subsidies am I receiving, or what subsidies are my community receiving, that we can do without?" That's the way you make the change in this country. You don't make a change in this country by some community looking at some other community and saying, "Oh, California doesn't need this subsidy, but we certainly need our subsidies." California has to decide what subsidies they don't need, and be willing to go to the table to give them up, and Arizona has to make that kind of commitment. We can get that kind of commitment in this country. It's clear.

I mean, the farmers, you can talk about the farmers, you can talk about the people who are on welfare, you can talk about people who are receiving Social Security, you can just go right down the line. You can talk about the people who are receiving Medicare and Medicaid, and you can go down the list, and none of them want to give up one nickel of the payments that they're currently receiving. Until we recognize in this country, and I think the citizens recognize, that it starts at home, and that if you want subsidies eliminated, you've got to make an assessment, a fair assessment on what subsidies you are willing to give up. Everybody's got to come to the table and say, "Here's what I'm willing to give up." When it comes to subsidies from water projects, Arizona's not willing to give up any of those subsidies. In fact, they want more, I think, than their fair share.

Storey: They're sure pursuing it. They want you to spend the money, but until they find out they have to repay it, it seems to be the pattern.

Hancock: Absolutely. A lot of times we get money appropriated, and sometimes the districts don't have, or the people who are receiving it don't have a lot to say about how the Federal Government spends money in their state for water resources projects. But I don't think this was the case for the Central Arizona Project. They certainly have become involved in that whole budgetary process. They understood the amount of money that we were asking for. It wasn't until the last budget year that they said, "We don't need all the money that you're asking Congress for to finish this project. Reduce it." They could have done that ten years ago if they thought that we were spending more money than we needed to complete the project. They could have said, "Hey, we can't afford to pay any more for this project than you've already spent. Now let's sit down and figure out how you're going to work out completion of this project, and keep it within what we can afford to repay." But none of that was done. I mean, it's

always you spent it now, great, you get the taxpayers from the rest of the states, all the other states, to pay for that, because we can't afford to pay for it in Arizona.

Storey: Another topic I'd like to explore is the Senior Executive Service and how this works. I guess I was under the impression that Betsy could have just come in and said, "Bye." As I recall, I heard, or it was announced, or something, that you were going to be the head the International Affairs, and then the next thing I knew, well, Larry Hancock is staying in Boulder City as a, I think they called it a Special Assistant to the Commissioner, is that right?

Hancock: That's correct.

Storey: I'm interesting in how the Senior Executive Service works and what was going on there, if you're willing to talk about it.

Senior Executive Service

Hancock: I'm willing to talk about that. But let me just say that the Senior Executive Service works pretty similarly to the regular career service, in that if you're not on probation, and you've been performing your job and have at least satisfactory performance evaluations or higher, they can't come in because you make some announcement or some statement that the administration disagrees with and fire you. That's not the way that the Senior Executive Service works. You have the same kind of rights that other employees have in terms of being removed from your job.

Now, what they can do easier than you can do with other career employees that are not in the Senior Executive Program is reassign you and relocate you. That's the tool that has been used over the years to force senior executives to either retire, resign, or relocate. In other words, clearly, most managers, like in my particular case, with this Regional Director's position, I felt that I was doing an adequate job, if not an outstanding job, in running the region, and I wasn't going to voluntarily say, because I made the statement about Arizona, that I should resign or whatever else.

So what they do is they make you an offer you can't refuse. They did make me an offer. It wasn't the head of the International Affairs, it was the head of the Native American Affairs in Washington, D.C., that Joe Miller was retiring, so that I would again have to pick up and move across the country back to D.C. to head up that position. I just felt that that wasn't appropriate, so I talked to Dan Beard, who I will say was very supportive of me through this whole process. I don't think he had very much influence over the Secretary and over Betsy in this process, but he was very supportive, because he knew the job that I had done both as the Deputy Commissioner during his stay, and also as a Regional Director here, and he was very supportive.

So I was able to negotiate me staying in Boulder City and being a Special Assistant to the Commissioner in carrying out those responsibilities, rather than relocating back to Washington, D.C., when I had only been out here less than two years, probably, as the Regional Director. Part of the problem is that it's a financial burden to move. I mean, when I moved to Washington, D.C., it was a financial

burden. When I left Washington to come out here, my wife ended up going back. My wife and I had been living in separate states ever since I left Washington. She left Washington, D.C., a year before I did, and so that caused some problems.

Now, the thing that they can do is, they can require you to make a decision quicker in the Senior Executive Program. A career person, too, which is mistakenly, you can be reassigned as a non-senior executive, any career person can be reassigned at any time with thirty days' notice. Now, it's not done very often, but they can. But in the Senior Executive Service, it is done very frequently, and we only have fifteen days to make a decision. You have to say, "Yes, I'm going to go," or "No, I'm not going to go." If you say, "No, I'm not going to go," then your choices are very limited. If you are eligible to retire, you can retire. If you're not eligible to retire, then you have to resign. That is basically the two options that you have if you turn down a legitimate job. I mean, this has happened.

There are lawsuits that are going on right now saying that not just this administration, but previous administrations have used this mobility portion of the Senior Executive Program to get rid of some senior executives that they didn't want on their staffs. And there are still some lawsuits, some people have filed lawsuits and saying that they had used this unfairly. It's not supposed to be a process or a methodology for getting rid of your senior executives. It's supposed to be legitimate that a senior executive is supposed to be able to do any position in government, is the theory of the program. So if you're offered another senior executive position in some other location, then you can't say, "Well, I'm not qualified for that position," because essentially you're supposed to be qualified for all of the positions. So that's kind of the way that they use that whole process.

That's basically what happened. I mean, it's not a unique circumstance in my case. It's happened to several senior executives prior to me, and will probably happen to several of them in the future. There is one stipulation that they did put in the law that tries to protect executives, and I can't remember what it is. If you work directly for a political appointee, like I was working directly for Dan Beard, or when I was Deputy Commissioner, he could not have reassigned me, I think, for six months, once he was appointed. So he had to give himself six months to evaluate whether he wanted me to stay in that capacity or wanted me in some other capacity. That's the only restrictions that come to mind. So if the Commissioner changes, a new Commissioner can't come in and start, on the day that he's appointed, shuffling S-E-Ses around, at least the ones that work directly for him. The theory is that person has to be your immediate boss.

Now, when they had a Deputy Commissioner, and I don't know what it is now, when they had a Deputy Commissioner, which I was, the Regional Directors didn't report to the Commissioner, they reported to me. So essentially, the Commissioner could come in and move, under that watch, could move the Regional Directors, but they couldn't move me. The theory is, it was a buffer of a career S-E-S person between another S-E-S'er and the political person, that it's really the career S-E-S person, I would have been the person who would have been moving those Regional Directors, rather than a Commissioner. That's legitimate. That is a legitimate process

that can be done. So that's really the essence of what happened and how the S-E-S process works.

The seniority is pretty much the same in the S-E-S as it is in the career, with one exception. You can be hired into the government as a senior executive without having any other Federal service. Now, that person who comes in that way had less retention and seniority rights. In other words, if I had not been a career S-E-Ser and was not eligible to retire, and they said that they were going to move me to Washington, D.C., and I said, "I'm not going," my only option would have been to resign. I couldn't have said, "I want another job, I wanted anything else." The same thing, if they did a reduction in force and said they had more S-E-Ses than what they needed, and this is usually done agency-wide. Now I think Interior changed that. In other words, you could not just run a reduction in force of S-E-Ses in the Bureau of Reclamation, because the theory is, if you're an S-E-Ser, you can be an S-E-Ser in Fish and Wildlife or any of the other agencies within the government. So they set up the reduction in force process to be agency-wide.

So that means that if the Bureau of Reclamation decides that they have too many S-E-Ses and want a reduction in force, they have to get the Department's approval, and the whole Department then becomes your bumping thing, so your seniority then becomes—I may be the most junior S-E-S person in the Bureau of Reclamation, but I may be the most senior person in other agencies, so another agency may end up with me, and losing one of their S-E-S people. So they're very reluctant to run a reduction in force because they have no control over who ends up in which bureaus within a particular agency in that whole process.

If you are one of those S-E-Sers who came in from the outside at the S-E-S level because of your experience outside, you would theoretically be gone. You have no bumping privileges whatsoever in that whole process. Also the S-E-Ses can go back, if they can't find a position for you, then they have to find a position at the [GS] 15 level for you. Well, if you were one who came in from the outside, then they can't do that. The law says that you've never been in the career field 15, you can't go back to that office. So that's some of the differences.

Storey: The way your seniority is figured is total length of Federal service or length of service in the S-E-S?

Hancock: You know, I don't know. I don't know. I think it's total civil service seniority. But since we've never experienced a reduction in force, I've experienced a reduction in force in the S-E-S ranks, because they try to avoid that.

Storey: That raises an interesting question. Is it true that Dan Beard had to change his reorganization plans because he was planning to reduce S-E-Sers and the Secretary said no? Do you know anything about that?

Beard's Reorganization and the Reduction of SES Force

Hancock: I don't know anything about that. I know Dan wanted to reduce the S-E-S level in

Reclamation.

Storey: The number of folks?

Hancock: The number of people that was in Reclamation, and some success was done in that area, but it was done not through a reduction in force, which would have been a legitimate way to do that, it was done—rumor mill tells me, I have no first-hand information about this, tells me the same way that I ended up no longer being Regional Director, that some of the people were made offers to relocate to places that they did not want to go, and they were eligible to retire, so they exercised their right to retire. So there's a few of those people who fit into that category. I don't know whether that was true or not. Darrell Webber was certainly one that retired shortly after Dan Beard came on, and Joe Hall retired shortly after he came on, and made it possible for some reductions. Bernie Silverman left as well.

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Storey: You were saying that Joe Hall and Darrell Webber, for instance, were a couple of folks who retired soon after Dan came on, and that there were other reductions.

Hancock: Right. Bernie Silverman was one.

Storey: Who's Bernie Silverman?

Hancock: He was in research, the Atmospheric Research Program in Denver, and was an S-E-S in that field. Shoot, I can't even think. Ray Willms retired shortly after Dan came on board. Terry Lynott went on an I-P-A and is still with Reclamation in an S-E-S position. Bill McDonald had an assignment with the Solicitor's Office in Sacramento. I understand that he's now coming back to be the Special Assistant to the Commissioner, taking my job that I just retired from.

Storey: Who's that?

Hancock: Bill McDonald. He's going to stay in Sacramento and be a Special Assistant, so he's coming back from the Solicitor's Office, and coming back into Reclamation through my retirement and taking that position, which I think is a good move on probably the Commissioner to have someone to help him with special projects like this. So there were some reductions done. The other one that retired was Darrell Mock [phonetic] in Washington retired, and they've never filled that S-E-S job.

Storey: He was the head of the Budget Office?

Hancock: Yeah. Joe Miller retired and right after Joe came in and that job was never filled with an S-E-S, it was filled like 15 or so. There was some reductions under Dan of S-E-S positions, and there were some accommodations that were made to other S-E-Ses under Dan, which is not uncommon. I mean, that happens with every administration. Now, the reductions don't necessarily happen with every administration, but the

accommodations and the moving and trying to get people in the right slot for the new leadership group, it happens with every administration. Of course, senior executive officials have become accustomed to maybe having to make some personal accommodations for the new administration.

Storey: Tell me, if you would, about your special assignments. You mentioned earlier, for instance, that you sort of had your choice of which ones to do and which ones not to do, so what was offered you and what did you decide to do, and why, and how did it work out, and all that kind of thing?

Special Assignment in Native American Affairs

Hancock: Special assignments were really, I think, really a great opportunity for me to work in some areas that I hadn't worked on in the past. I can't think of any assignment that I was asked to do that I turned down. The key is that if you saw an area where you thought Reclamation needed something, I could approach the commission and say, "I think that we need a special study in this particular area," and if he concurred, then you could actually put a proposal together and go do your study.

I did one on the assessment of Native American Affairs Program, and I think that really helped that program to get a little more continuity across Reclamation in the way we work with Native American communities throughout the seventeen western states. Actually, I put together kind of a little road map of who was going to do what in terms of responsibility, and how aggressively we were going to pursue the Native American Program. Because you could pursue the Native American Program so aggressively that we wouldn't have enough money in our budget, or couldn't ever get enough money in our budget to accommodate all of that. So you have to put some boundaries around how you're going to pursue that. Because the Native American people have some problems that are not seen in other parts of the United States, and if you try to solve all of those problems at one time, just in water resources alone, could cost an awful lot of money. Some of the tribes, I mean, a lot of tribes don't have any running water in their homes. How many places in the United States do people ever give question that if I move from California to Portland, Oregon, or if I move to Vermont, and I buy a house, that there's not going to be running water in the house that I buy?

Storey: Or electricity.

Hancock: Or electricity. No one ever asks that question; you take it for granted. If you're going to buy a house, it's going to have running water and electricity in the house. Well, if you were buying a house on an Indian land, you may not have either. So we could spend a lot of money getting a potable water supply for Native American tribes across these lands if we wanted to aggressively, in Reclamation, pursue that as one of their goals in this whole process. And we may be giving some Native Americans false hope that some of these things are going to become reality.

In other words, we could take a Reclamation program from the non-Indian lands to the Indian lands and have as large a program, almost, as we had in 1902,

now. From a budget prospective, that's not going to happen, and it's not going to happen directly under Reclamation's leadership. We may be providing some assistance for it to happen, but it's not going to happen the way it happened in 1902. We're not going to just turn the page and say, "Now the Reclamation program goes to Indian lands, and we're going to save the Indian land from the water resources' prospective." In my opinion, that's not the way that's going to happen. That was one program that I had.

Another one that was kind of interesting, and it was one that was done only as a draft and will probably stay as a draft, the law setting up the Indian Self-Governance Act, where tribes can come in and say, "We want to do this program, Reclamation," and we have to negotiate with the Indians to allow them to do that program. A part of that law was that there was going to be a negotiated rule-making process between the Department of the Interior and the Tribal Nations. Well, that negotiated rule-making process is taking an awful long time to come about, and some of the tribes, primarily in the Lower Colorado Region and one tribe in the Pacific [Northwest] Region, have said, "We want to start this program." So we didn't have any guidance to have people in the field who would have to do this program, because the rule-making hasn't been completed.

So I headed up with some other people, and worked with, and got some input from some of the tribes who had negotiated agreements with Reclamation, the Gilas and the Hoopas in California, and Pima Salt River tribe in Arizona, as well, got some input from them, and drafted some guidelines for Reclamation employees to use when they're going to negotiate with self-governance agreement with Indian communities. And recommended to the Commissioner that he put these guidelines out as draft pending the completion of the rule-making process, so at least our people would have some way of knowing about how to go about doing this, and he did that and put them in place. They're still in place because the rules and regs have still not being completed, and those draft guidelines will probably stay in place for another five years until they get the rules done. So that was two of the projects that I worked on and completed.

Labor Rate Analysis Group

Probably the one that I didn't complete, that probably would have the most impact internally on Reclamation, and I understand, I don't know what they're going to do, but I think they may end up giving it to Bill McDonald to complete, is the one determining what the Labor Rate Analysis Group that I did. This is one that I was asked to do, because it came from outside entities questioning how Reclamation was doing charging them for doing work for them. It came about because of FEMA [Federal Emergency Management Agency].

When I was the Deputy Commissioner, almost all of that work for FEMA was done through the Corps of Engineers. We did not work directly with FEMA. We were kind of a subcontractor to the Corps of Engineers. In other words, FEMA would call in the Corps that they would have a flood or natural disaster and they needed someone to come in and do some engineering expertise, and the Corps would say,

"Well, yeah, we can do this, but we don't have enough people to carry this out, and we're going to ask the Bureau of Reclamation for assistance as well." We were actually working for the Corps of Engineers. So FEMA never really got Bureau of Reclamation bills. Our bills went to the Corps of Engineers, and the Corps of Engineers reimbursed us.

Well, the Bureau started doing so much work for FEMA, and rumors are that FEMA liked the Bureau of Reclamation's work a lot better than they did the Corps', so they decided to cut out the middle person, being the Corps. Then all our cases then would come directly to Reclamation for assistance. Well, by doing that, then FEMA started seeing Reclamation's bills directly, they weren't sanitized by the Corps or reimbursing the Corps and then the Corps reimbursing us. One of the questions that came up was, FEMA said, "I don't understand your billing process, Reclamation. We have a GS-12, Step 5, from Denver, and we had a GS-12, Step 5, from Sacramento, California, we had a GS-12, Step 5, from Billings, Montana, and we get billed different rates for all three of these individuals. Why?" Well, we couldn't answer that question. I mean, there are some obvious reasons why, but I mean, we couldn't their question. So the Commissioner said the same thing, "Why?" (laughter) So we set up this team to try to figure out why, and if there was a way that we could, some people called it, leveling the playing field in this whole process.

Another thing that started this was that the area offices were still saying that the Denver Technical Service Center and the Regional Design and Construction people were too expensive. They'd rather go get an A&E firm, because an A&E firm is cheaper than either going to the Technical Service Center or coming to the region when Dan empowered the area offices to go do the work and gave them these options to go about where they got their services from.

Well, it was my responsibility to try to come up with determining what the differences were, why a GS-12 in different places cost different amounts, and what are we going to do about it, if anything. Maybe the best thing we could do was being able to explain the differences. In a lot of cases, that's probably true, that's all you need to do, is to be able to explain the difference. I mean, it doesn't take a rocket scientist to figure out it costs more to maintain a GS-12, Step 5, in California than it does in Billings, Montana. If you're really charging the other agency for all the costs, if you're charging for the office space that that individuals used, if you charge them for the telephone services that that individual used, and all the parameters that go into computing what you bill someone for a GS-12, you don't just bill them for their salary, you bill them for everything that that employee uses in conducting business.

Storey: In effect, their overhead.

Hancock: That's right, in effect, their overhead. Clearly, overhead in California is higher than it is in Billings, Montana. I mean, space costs more in California, private industry knows this. That's part of the plan of doing business. If you've got a building in California and a building in Billings, Montana, or Timbucktu, Montana, it's going to be more expensive in California. It's going to be more expensive in New York. You try to set up your own company and have an office in Manhattan in New York versus

having an office in some remote place, it's going to cost you more to do business in New York. Now, hopefully your fees, if you're doing business, are higher in New York than they would be in Montana or in some of those other states, so it all works out.

Well, with the Federal government providing the same kind of services across this thing, then people begin to wonder why. So this is what this last study was supposed to determine. It turned out this one has been done, or tried to be done, several times and we've never gotten it done. We brought back a retired annuitant named Wes Taylor [phonetic] to try to do this, and they called it the total cost of doing business, it had various names, and it has never been successful. During the study I found out why it had never been successful. I didn't complete it either. It's pretty close to being complete, but I didn't complete it. But I found out why it hadn't been successful. People are very concerned about managers having that kind of information available to them, because they're fearful of what managers are going to do with that information, that if I know what it costs, the costs of an office is versus another office, then I could make some real radical assessments about the management of those other offices.

Clearly, management in Henderson, my Henderson office, I don't have a Henderson office, is better than my management in my North Las Vegas office, because the costs of operating those offices in Henderson is 25 percent less than it is in North Las Vegas. So when you start asking people to provide you this kind of information, they always want to know, "Well, what are you going to do with it? Who's going to be seeing this information? What is it for? What is the right answer?" All we want is data, all we want is the information, we don't know what the answer is, we're just trying to get the data so we can explain to people why there are differences. We're not trying to make any—at the least the study team, we weren't trying to make any judgments of whether it was better or worse.

Clearly, if you have an office that is 25 percent cheaper to operate than another office, but if the office that is 25 percent cheaper to operate is not producing any damn thing, who cares whether they're 25 percent cheaper or not? I mean, if you had a business and no revenue coming in, you wouldn't care whether they were 25 percent cheaper. If the office that was 25 percent more expensive had good revenue return and was making you money, you said, "Fine, be 50 percent more. If you can make more money, go about that." But people, especially in the Federal sector, want to know, who's going to scrutinize this data and why are you going to scrutinize this data, as you go through this whole process. So it makes it very difficult to get accurate information.

So we developed this process that gave them definitions which we thought would keep people—what we said was we want people to provide us consistent information so we could tell whether they were providing us all the information, but not necessarily try to—in order to do that, you had to say, "Here's what we mean when we say," and I don't want to use the term, "Here's what we mean when we say 'space.' What are your space costs?" So we had to say, "Your space costs, your rent you're paying G-S-A [General Services Administration], or rent that you are paying to some

commercial people," but I don't think we have any that are doing that. Or if you own the building, then any sinking fund that may have established to do extraordinary maintenance to keep the building maintained properly. That's what rent is. We had to give all these definitions, so that people, when you send it out, you say, "Okay, we we're going to get this thing back and we're going to be able to look at this and tell where the differences are," people played games. They didn't want to give us the information.

So we finally said we'd have to narrow down the field. The reason they play games—and I gave this little speech to the last P-M-C meeting—the reason they play games is that if you are an employee who charges to an eighteen-digit cost account in Reclamation, that is directly linked to a customer, in other words, if my eighteen-digit cost account on my time card goes to the customers of Hoover Dam, then somehow my work is essential. But if you charge your eighteen-digit cost number on your time card—

Storey: As a G-A-E charge.

Hancock: —it goes to a distributor account, then somehow your work is not essential. In other words, if you're doing something that you can't charge one customer for, that you have to distribute that to twenty customers, and it's easier for you to do that on some kind of formula basis than it is putting down twenty customers eighteen digits and keeping track of every little ten minutes you spend a day on those twenty customers, you just say on the average I spend 25 percent of my time with this customer, then you put a formula in there so it's distributed, somehow your work is not essential. Almost all of our support people, as we call them, charge to K-accounts. All of their line people, engineers and geologists and environmentalists, they charge to direct accounts, as we call them. So they're essential. The more people you have charging to a direct account, the better off your office is, because somehow that's not equated to overhead.

So people play all these games in trying to figure out, how can I get more people charging to direct accounts than to distributive accounts, because somehow that's good. So when you ask them to give you this information, the first thing that comes to mind is, "Well, if I don't have anybody charging to distributive accounts, I don't have any overhead." We said there's not an office in Reclamation that doesn't have any overhead, we don't care what kind of account you charge. This is not trying to tell you how to charge your time, this is trying to get you to conceptualize what your overhead is. If you got an office, you have overhead. I don't care how you charge the customers for that overhead, that's not the issue. We want to find out what your ratio is to direct salary to your overhead, to all the additives that have to go on that direct side if you're going to charge somebody for that person's time to do work.

That one I didn't finish, and I'd have to say that if I had had another month, we would have finished that one, because we send it out and we got this garbage back. What we decided was that we had to make the sample smaller, because we sent it to every area office and every regional office and every office in Denver to bill this, what we call cost squares model out to get us the data. Some of them didn't use our

definition, some of them used them, you know, we got everything all—so what we decided was, that we had to go back, and we had to go to five or six offices and we had to personally sit down with the manager and a budget analyst and assist them in filling it out to get equivalent information.

Then what you had to do was make your recommendations to the Commissioner based on that small sample, rather than big sample, and make the Commissioner say, "Thou shall do this." We had this small sample, and this is what the small sample showed us, it's a representative sample in Reclamation, and this is a process that we have to do in order for us to understand what our differences are in operating an office. It's not saying that it's good or bad, but it's just understanding the differences, so we can explain it to the people that we do business for, or work for, when we send them bills, and thou shall do it this way.

The other way to do it is, to come up with what T-S-C has done, Technical Service Center, a billable rate. If the rates don't vary very much across Reclamation, that may be a very reasonable thing to do when you're doing work for FEMA or you're doing work for someone outside the organization, you say, "We're not going to charge you what comes from various offices, we have a billable rate. I don't care where the employee comes from, this is what we'll charge you for their time. It includes overhead and everything." The billable rate is usually high enough it recovers any office that the employee will come from. So it's kind of an average, but it will cover everything. That's one that I would like to have finished, but I didn't finish it.

National Environmental Protection Act Assessment

The other one I was working on was when I was working with Judy Troth [phonetic] on the NEPA [National Environmental Protection Act] Assessment, and she actually asked me to help her on that one, and I went to the Commissioner and he said, yeah, and she hasn't finished that one. That one was one that came about because of the experiences that Patty Beneke had, I guess, on the E-I-S that was put together on the R-R-A [Reclamation Reform Act] issue and they thought it was—somehow she said Reclamation doesn't do a good job in their NEPA compliance process. This whole study evolved because of her comments. So what I was trying to help Judy do was to kind of focus it where we could get something that was meaningful out of this thing, not just answer the concerns of Patty, but what is it that we could do that would help Reclamation be more effective in their whole NEPA process.

One of the things that we decided was that it needed to go to other agencies and get their opinion about the process, because they're involved a lot in our NEPA process, like Fish and Wildlife, B-L-M [Bureau of Land Management], E-P-A [Environmental Protection Agency] and other agencies get involved in this whole process. She's still working on that assignment.

Storey: They're meeting here today and yesterday.

Hancock: That's right. Since I wasn't the lead on that one, that one can continue to go on. This

one that I'm the leader on, this labor rate thing, is going to be interesting to see how that works out. The reason I say that's important internally, it's important internally to stop this finger pointing about the Denver Office, or regional office, being more expensive than an area office, or vice versa. At least you have a common base of information to understand what the differences are, and it may be legitimate for the Denver Office to be more expensive than an area office. I mean, your space alone in Denver, I don't know, your communications lines and all kinds of things.

Assessing Office Costs

One of the things that we found that I didn't know, I think some of the finance people know, is that it depends on how many employees you have in the old retirement system versus the new retirement system. The old retirement system is more expensive to the agency than the new retirement system. So when you do overhead, that makes a difference. So if you've got an office that has everybody in the old retirement system instead of the new retirement system, that can make a difference. That could be one of the ingredients that go that make up the difference.

So that's why I say, we don't know. I mean, our finance people know a lot of the things that will make the difference, but when you say, "Okay, tell me about office A and office B," they can't give you specific numbers that will say, "Okay, now I understand why a GS-12 in Denver is \$70 an hour and a GS-12 in Boulder City is \$40 an hour." Well, one of the big reasons is almost all these buildings out here, there's no rent cost on them. We built these buildings. They have been amortized. Okay. So if you don't have any space, the only space costs you—they wasn't even doing that until G-A-O said you ought to do that, was put some money in a sinking fund and rehab these buildings. Now, they rehabbed this building and we got to pay for after the fact. Well, you should have the money to rehab your buildings, you know, you ought to be putting some money in a fund all along to do that, and they just started doing that.

Well, clearly if you get a GS-12 from the Lower Colorado Regional Office and a GS-12 from Denver, there's going to be some differences in the costs, because they don't have that high rent cost that you have to pay. That's a legitimate—it doesn't make the region any better than Denver, it just says, hey, when you've got people in a region, or you've got people in an area office where we own buildings, their total cost for doing work is less there than it is in areas where we have to pay rent. I mean, you know, it's a real easy one to work out.

But because of all this resistance and fearful about what you're going to do with this information, you can't ever get the data in an appropriate format to really make sense of it. If I ask, are you—

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Storey: This is tape two of an interview by Brit Storey with Lawrence Hancock on January 16, 1997.

Hancock: Wrapping it up, that's basically some of the assignments that I enjoyed working on.

Storey: So then you got to where you could retire?

Hancock: Absolutely.

Planning for Retirement

Storey: What are you planning to do with your retirement?

Hancock: Well, I've been telling people, I have two ambitions, to increase my reading of fun material—.

Storey: Spy novels?

Hancock: Spy novels.

Storey: X-rated novels or whatever?

Hancock: I like bibliographies [biographies], as well. And increase my playing golf. I figured out that I can increase the reading real easy and very inexpensively, but increasing the playing of golf is going to get pretty expensive, and it may send me back to work if I want to play golf much more than I've done. (laughter) So it's a pretty expensive hobby. It's a good hobby, good exercise, but still a pretty expensive hobby. That's basically what I plan to do. My wife wants to do some traveling, and since I did so much traveling when I was working, I'm not too enthused about that, but I have agreed on a couple of trips, one for myself and one for her. She wants to go to the Greek Islands, so we're going to go to the Greek Islands probably later on this year, around September time frame. Then next year I want to do the Alaskan thing. I've never done that, and she doesn't want to do that, so I'm probably going to end up doing that one by myself or with a friend, if I can find somebody that wants to go along on the Alaskan one. So that's really the only plan.

I do have plans to take the "golden handshake" that they gave me. They gave a \$25,000 bonus to leave town at this time of the year, that Congress put in. So I'm going to take that and I'm going to play the stock market. I've been in the stock market for several years, but I never had the guts to play the commodities market. So now that I've got this money that I didn't earn, I'm going to set aside a big hunk of that and I'm going to see if I can turn that into a fortune, like people say, in the commodities market, or maybe I'll lose it there and get good experience.

Storey: That's fun. I had a friend who called that kind of money non-money. He said it doesn't really count. It's always there for some reason, you know, it comes in here and there.

Hancock: Right.

Storey: So you signed up to retire maybe a year and a half, two years ago, is that right?

Hancock: Yes. Yes, the last time we had the buy-out. That's kind of an interesting story in itself. This was before at least I was aware that anyone was talking about my little speech in Reno. I put in for the buy-out the first time it came out, because like I say, I was ready to retire, and I was turned down. I put in for December the 30th, 1996, and I was told that they weren't approving any S-E-Ses for buy-out, and I said, fine. So when it came up again, I put in and I changed the date from December 30th to January 3rd, and it was approved. No one ever gave me any explanation as to why it was—I mean, this was like months apart. I mean, it wasn't like it was a year apart, this was like three months from the time they opened up the first time, then they opened it up the second time, and it was approved. So that's why I'm retiring.

Storey: That's interesting. That will be an interesting experience having that kind of money to do the commodities market.

There's something I've always been interested in. Back in '88, when they were reorganizing, Joe Hall, of course, was destined to become the operational head of the agency in Denver, and they gave him the title Deputy Commissioner, and we were sitting in the Denver Office, and then all of a sudden there started appearing these memos that distinguished between the Deputy Commissioners. There was a Principal Deputy Commissioner and a Deputy Commissioner. Can you tell me anything about what was going on there? Because, of course, you were the Principal Deputy Commissioner.

Principal Deputy Commissioner

Hancock: Well, that happened, it was kind of interesting, because Dennis Underwood decided that he wanted his Deputy Commissioner in Washington, that it was not functioning properly for his work. Like I said, this was after he had been Commissioner for quite a while. I mean, he wasn't six months into his tenure as Commissioner, it was after he was in, he decided that he wanted his Deputy Commissioner in Washington, D.C., because that's where the action was in the agency. He asked Joe Hall if he would move to Washington, and Joe wouldn't move to Washington. So he decided that would establish a second Deputy Commissioner and put that person in Washington. That's when he selected me to come back and be there.

When he first did it, Joe was under the impression, and so was I, that we were going to have two Deputy Commissioners with equal responsibility, although the one in Washington would still take over the operations. In other words, all the Regional Directors would report to the one in Washington, and Joe would have the Denver one, but they would still be of equivalent stature, that there wouldn't be any principal Deputy.

Then after getting to Washington and being there for a very short time, Dennis said, "No, I want this particular position in Washington to be the principal one." His rationale for that was that there may be occasions when Reclamation is without a Commissioner for political reasons, that you can't get one appointed, and that you need a career official who is automatically designated as Commissioner, and that would be the Principal Deputy, that if you had the two deputies, then it would always

be a commotion about which one should be Commissioner. That was Dennis's logic, and also he said there would be then continuity, because you would have someone in Washington who had worked with the Commissioners, worked with the Department, and worked with the people on the Hill in keeping the agency moving. There would be more continuity by having this Principal Deputy in Washington to have that continuity. So that's when he determined he was going to make the one in Washington the Principal Deputy position. That's really the way it came about.

Joe was actually offered the job, but Joe was at that point in his career that he didn't want to go to Washington, and Dennis was nice. Dennis wasn't as determined or as vindictive, maybe that's a better word, as vindictive as some people who come in and say, "Your job is now in Washington, and if you don't want to move to Washington, then you have two options, you can retire or find another job, or quit and find another job you can go to." Dennis was nice enough to tell Joe, "Then, fine, what I'll do is just have someone else come here and assume these responsibilities as well."

Storey: Was Mr. Hall running the Regional Directors as Deputy Commissioner out of Denver?

Hancock: Yes, he was the only one.

Storey: I guess I didn't realize that.

Hancock: In fact, the Regional Directors reported to Joe. When I was Regional Director, I reported to Joe Hall under that scheme. Now, that was a difference because always before the Regional Directors reported to the Commissioner, directly to the Commissioner. Even when we didn't have a Deputy, we had Assistant Commissioners, but none of the Assistant Commissioners was ever given line authority over the Regional Directors. It wasn't until we established the Deputy concept that the Regional Directors then started reporting to him. I don't know what Dan did in this.

Now, what we did, I do know, when I was in Washington and we set up the Director of Operations, which Steve Magnussen is the head of now, that job was set up for the Regional Directors to report to that particular person, as well. Again, for the same purpose of continuity, that person essentially became the Deputy, although we got rid of the Deputy's name, because Dan didn't want deputies, period. He didn't want any deputies, people with Deputy titles, and so we called it the Director of Operations, which gave it that now. I think that's the same way it is under Eluid [Martinez], although as a matter of fact, I don't think that very many of the Regional Directors would say that they report to the Director of Operations now. They will say that they do, but essentially they have just as a direct a path to the Commissioner as they do to the Director of Operations.

Storey: You were on both sides of this new arrangement, Regional Director in Sacramento and then Deputy Commissioner. How did it work? What were the issues that came up?

Issues as Principal Deputy Commissioner

Hancock: To me, organizational stuff is more of a personality thing than it is the structure. When Joe was the Deputy and we reported to Joe, it worked fine, because, I think, of Joe's personality. You still knew that if you had a major issue that was going to be politically sensitive, that your first call was to a Commissioner, it was not to Joe Hall. I mean, the Commissioner needed to know, in Washington, D.C., this issue may bite him politically or it may bite him just any way. Your second call was to Joe to inform him, "Hey, I've got this issue. I've already talked to the Commissioner about it," you know, that kind of thing. So it worked fine.

Now, when I was in Washington, the calls would come to me, instead of going directly to—because people knew I had been a Regional Director, I understood it. I was right next door to the Commissioner, and they knew that as soon as I got off that telephone, if it was something that was critical, and if Dennis was there, Dennis would know about it. So no longer did they have to make two telephone calls. If I wasn't there, then they would talk to Dennis direct, if Dennis was there. They didn't have to make those two telephone calls, which you got to make; you only had to make that one telephone call.

Now, you could have done the same way the other way. Joe could have said, "Call me and I will do it." But what happens if something else came up and Joe wasn't able to get to the Commissioner in time before he found out the other way, or when the issue became big, and the Regional Director's sitting out there, and the Commissioner's saying, "Why didn't I know about this?" He said, "Well, I told your Deputy." "Well, you didn't tell me, and my Deputy didn't get to me in time in this whole process."

So I think that's what was kind of bothering Dennis about that relationship, that he still, whereby he managed R-Ds on the real critical issues, because they wanted to come directly to him. Where if someone was sitting right next to him in Washington, they still wouldn't have to come to him, plus that person could get to the Department and get to the Assistant Secretary, or to the Secretary, or to the appropriate people in a department, with that information a lot quicker when you're there, than it is doing it by telephone. I think that's what Dennis felt was essential in that whole process. So that's how the two work. It was never a problem, because, again, I think it was because of the people.

Now, it could have been a problem if you had had a person who was a Deputy who said, "No, your line of command is through me, and I'll take care of this. Don't you dare call the Commissioner. You call me." I mean, if you had someone, that could be problem, if you had that kind of person. But Joe wasn't that kind of person and, of course, I wasn't that kind of person, and they knew if I wasn't in, and the Commissioner was in, they could talk to the Commissioner. In fact, I didn't care whether they called the Commissioner first, because he'd come next door and tell me, too. So it worked very well, and I think it was because of the people.

Now, under the current—I don't know that works. I would assume that since

Steve is there, and Steve has probably the same accessibility to the Commissioner that I had when Dennis was there and when Dan was there, that it would work the same way, that they could call Steve, and Steve would get it to the Commissioner. Some of them may prefer to go directly to the Commissioner, and they probably go directly to the Commissioner, and I don't think Steve would get his nose out of joint because they do that, as long as they let him know.

So fortunately, we've had good people in those positions, the kind of people that say, "I don't care. I'm not a control person. I'm not trying to control this process. If this is information sharing, then get the information where it needs to go." That kind of process.

Storey: During the reorganization, when Dan was announcing the reorganization, there was a rumor that all of the—I've forgotten what the management team was called at that time, went to a meeting, I think it was in Salt Lake, might have been Sacramento, I don't remember for sure, and they got in there and a bunch of them were thrown out of the meeting because they were no longer part of the management team. Do you have any recollection or perspective on what was really going on, rather than what the rumor was saying?

Commissioner's Right to Reshuffle His Management Team

Hancock: I don't remember any meeting where Dan or anybody put people out of the meeting. I think every Commissioner that comes on board has a different perspective of how to use this leadership group, so to speak, in Reclamation. As time goes on, they use them differently. I mean, as they're Commissioner longer, they use them differently.

Dan's perspective was that he didn't need this group, period. It was kind of his perspective, initially, because he saw it as an attempt to say, "This group is running Reclamation and not the Commissioner." He said, "No, I'm the Commissioner and I'm running this group." I think as he got involved a little more, he saw what this group was. It was pretty much like the Area Managers' meetings—not like the meetings, but it was like Area Managers, it wasn't any different than that. But this group was saying that, "We need to hear from you, as a group, periodically, Dan, and what your philosophy is, or perspective is, where Reclamation ought to be going, and we'll go out and try to do that. Now, if we don't think that you're carrying this in the right direction, we'll speak up and let you know that. Now, you can ignore us and say, 'Go do what I said to do,' or you can take it under consideration, kind of an advisory group, of people who are closer to the customers, so to speak, of the agency, than maybe the Commissioner is." He's in touch with the politics of the agency, and sometimes the people in the field are closer to the reality of the agency, and somehow you've got to try to marry, have some kind of marriage, between those two to have an effective organization.

I think Dan had a little greater appreciation for that as it went on, but he substituted that for even a larger group, the Area Managers, getting the Area Managers together, because that was Dan's concept, the Area Managers, not the Regional Directors, and the S-E-S people, necessarily, in Reclamation, know what's

going on. It's those Area Managers that are right out there on the firing line with their customers that really know what's going on. That's who he wanted to hear from. That was Dan's management style in Reclamation. He kind of broadened his perspective of the agency by getting people closer to the customer than any Commissioner that I've ever worked for. It worked for him. It just worked for him.

Eluid [Martinez]³⁶ is a little bit different person in that, and Eluid is trying to use the leadership group. Now, he's expanding. Now, he came in and he expanded the leadership group to include more people. Normally the leadership group was, traditionally, I should say, traditionally, was the Regional Directors and Assistant Commissioners that we had prior to other times. Then it became the Deputy Commissioners and the Directors, some of the Directors in Denver. That was kind of the leadership, or that was kind of the concept of leadership. You had each element of the organization represented by the top officials in those areas, and the whole region was represented by the Regional Director. Denver was represented by the Deputy Commissioner when Joe Hall was there, and some of his selected people that worked for him in Denver, which he called essential and then some people from the Washington office realm.

Well, Eluid came in and said, "Look, I want to expand this group," because he looked around the table and it was primarily white males. There may have been, well, myself was one that was not, and Margaret Sibley,³⁷ was kind of the two non-white males that had traditionally participated in this process. He said, "I want to have a more diverse advisory group." So he expanded the advisory group, which, to bring some more diversity, it included Felix Cook out of Denver, it included Cathy Gordon, and it included some people out of Washington like Carmen Mayme and some other people that gave the group, from this Commissioner's perspective, a more diverse perspective. He felt more comfortable then getting advice from this more diverse group than he did walking in the room and seeing predominantly white males and Larry Hancock and Margaret Sibley. It works for him.

I think the executive leadership group should be at the kind of the command of the Commissioner and who are they advising, and the people who compose that group should be determined by that particular person. I don't think that there's any set group.

Dennis tried to do something, and I'm trying to think who preceded Dennis, was it Duvall.

Storey: Dale Duvall.

Institutionalizing the Leadership Group

36. Eluid Martinez served as Commissioner of the Bureau of Reclamation under the Clinton administration, 1995-2001. For more information, see Eluid L. Martinez, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, during 1996-2001, in Washington, D.C., and Santa Fe, New Mexico, edited by Brit Allan Storey, 2006, www.usbr.gov/history/oralhist.html.

37. Margaret Sibley worked as Assistant Commissioner of Human Resources, 1992-1994.

Hancock: Dale Duvall, but it was Dennis. Dennis tried to institutionalize the leadership group. Dennis was of the opinion that an agency needed strong career leadership to survive, and so anything he could do to institutionalize strong career leadership, he would do it. So he actually wrote a charter for the leadership group, and had it signed by the Secretary, thinking that any other Commissioner who had come on would have to go to the Secretary to get it replaced, or to change it, or to eliminate it, or whatever else. Well, Dan Beard came in and he didn't go [to] anybody, he just said, "You guys work for me. We ain't going to meet anymore." [Laughter] Well, that dissolved the group.

So Dennis's perception of how to institutionalize it didn't create functionally how to institutionalize. I think the only way that you can institutionalize it is to show the merits of it to the new Commissioner that comes on board, and then they have to structure it in a way that they feel comfortable. I mean, some people wanted it. None of them will actually say that they wanted it to help them out, that they wanted to make decisions. Every Commissioner that I've ever worked for says, "No, there's only one decision-making person in this room and that's me. I make the decision, all the rest of you—" but some of them used it as a shield, and maybe not as a shield, but as a resource to try to figure out whether they were heading down the path and making the right decision, which is not that bad a tool to use. Some of the rest of them are a little more independent and felt the way they did.

Commissioner's Develop Their Own Networks

I think Dan was that kind of a Commissioner, he felt that he knew what needed to be done in Reclamation, he didn't need any advisory group advising him. He had advisors. It wasn't like Dan didn't have advisors, but it wasn't necessarily the career people in Reclamation. It may have been some of the career people in Reclamation, but it was also some politicians that he respected, it was just some groups, environmental groups that were out there that he would call to get advice from, or people that he respected in general. I think everybody who gets in a responsible position has a certain level, has a certain degree, has certain people that when they have a tough decision to make, even if the person don't understand it, you can still call them and talk to them about the decision before you make it, to kind of make sure that you're not heading off and in completely the wrong, to give a whole different objective opinion about how you head. So I don't think people get in that position without having that kind of counsel.

It would be good if he had that kind of counsel internally, but also had something externally that you could do as well. I think that's what Dan tried to end up eventually. He broadened it, he got all the areas offices, and he had the external group that he relied on to go to to get their opinions about where we were going, as well. I think he kind of married the two.

Some of the other Commissioners didn't have that network. Let me put it this way. Their network was almost the same as the internal network, and so it didn't provide them the diversity that—well, take Eluid. Eluid's network primarily is going to be water resources professionals, which Reclamation is supposed to be made up of. So his internal group—and I'm making an assumption now—and his external group are

going to be very similar in their perception of issues in terms of how to manage water resources. Now, I think where Dan had the advantage, Dan had an external network that didn't necessarily include a lot of water resources professional managers, but it included other types of people, so it gave him a broader perspective of how to marriage those two processes together. I don't know how he's going to go down in the long term, but I think Dan Beard's tenure while he was there, he is going to turn out to be one of the better Commissioners that we've had, and that's kind of tough for me to say.

Storey: This brings me to my next question, which is, the Commissioners that you've worked with, I think, starting with Broadbent, perhaps, on up. Would you assess each one for me? Strengths, weaknesses, so on.

Robert Broadbent

Hancock: I really didn't work that closely with Bob Broadbent when he came on. I think Bob Broadbent, just from my knowing him, is a very good politician. He didn't necessarily know an awful lot about Reclamation before he came to Reclamation, but his strength was that he brought very good people with him, and he worked pretty effectively with the political arena in terms of directing Reclamation. So that's kind of my general—

Storey: Brought good people with him?

Hancock: Yes, he brought very good people with him.

Storey: Who were these people?

Hancock: Rich Attwater, who was down in Southern California heading up a district. He brought Jed Christensen, Dave Houston. The fellow who ran for senator over here in Nevada, I can't think of his name. Hal Fermin. Most of them were people that he had known in Nevada when he came on board, so I think he was given a lot of flexibility to bring good people in. Now, a lot of people didn't agree with—a lot of these people he brought were very young and aggressive and rubbed the old-time career people the wrong way, but they knew what they were brought for. They were brought to work for the Commissioner and make sure that the commissioner's agenda was carried out while he was Commissioner. That's what happened. That's why I think Broadbent was successful and went on to be Assistant Secretary through that process, because he had people that he could trust, and that was obligated to him, the only reason they were there was to work for Bob Broadbent and the administration, carry out the administration programs.

Dale Duvall

Then you go to Dale Duvall. Dale Duvall, in my opinion, was a very capable person, I should say, because Dale was a person who hired me as Regional Director in California. (laughter)

Storey: It's got to be true. (laughter)

Hancock: But I think that Dale Duvall was never allowed to be Commissioner, so I can't make any assessment for Dale Duvall as a Commissioner. Jim Ziglar was Assistant Secretary, and Jim Ziglar ran the Bureau of Reclamation. I mean, Dale Duvall was just a figurehead, I don't care what you say. Then when they brought Joe Hall on as Deputy, and Jim Ziglar and Dave Houston were very close, and Dave Houston was the regional—

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Storey: You were saying that Duvall was never allowed to act, because Zigler, as Assistant Secretary, was running the agency, really.

Hancock: Right. With Joe Hall as a Deputy and wanting to get the Commissioner in Denver, so to speak, it never really worked. So I think it would be unfair to do an assessment on Dale Duvall, because I don't think that he was really ever afforded or allowed the opportunity of being a Commissioner. Just didn't work for him. There are some others that have similar problems that I'll get to. Dan, when he first came on—

Storey: Dennis was next.

Dennis Underwood

Hancock: Oh, Dennis, yes. Dennis Underwood's strength was details. He had a vision for the agency, but the vision was so complex that it was real difficult for people to follow the vision. So where Dennis knew where he was taking the agency, or the Bureau, I don't think anybody in Reclamation understood where Dennis wanted to actually take the agency. I think that his biggest fault was that he couldn't focus on what he wanted his legacy to be as Commissioner, his three to four items that he wanted to leave the agency with, that he wanted to change the whole agency. If you asked Dennis, "What do you want to be remembered for as Commissioner?" He could never give you a list of three to four items that he wanted to be remembered for. It was an all-encompassing kind of task that he was undertaking.

I think Dennis, at the time when he was Commissioner, was one of the better Commissioners that we had, because it was a time when, after the restructuring and the changing of the mission of Reclamation which was done under Jim Ziglar and Dale Duvall, kind of thing. Dennis comes in and he gives employees confidence that they're working for a good agency again. He's a really people-oriented person. I think he must have met everybody, all 7,500 Reclamation employees personally, in terms of that, and instilled that confidence that, "Yeah, the political appointees go and come, but it's important that you career people keep this agency moving and in the right direction." So I think that was Dennis's biggest strength.

One of Dennis's other weaknesses may have turned out to be one of his strengths. One of his weaknesses was also focusing externally. He did not focus externally on how to make his vision of Reclamation visible from the customer's perspective and visible from the general public's perspective. I think that because he

didn't do that, his strength was internal, and it helped Reclamation, I think, at that point of its development needed that kind of internal leader that was going to focus on people, making the people feel good about working for Reclamation, making people feel good that Reclamation had a future. He changed Reclamation's mission. He said, "We have to make these changes, but we have to do them internally. We don't have to do them all at once. We can take our time in going through this whole process." He put together a strategic plan that encompassed everything, so any Reclamation employee could pick up that strategic plan and look at it and say, "There's a job for me in the future at Reclamation." That was good.

Externally people look at this and say, "What in the world? What is the change? This is everything that Reclamation has ever done, or ever could do in the future." So internally it was great. Externally it probably wasn't as good. If he had said, "Here are the things that I'm going to emphasize. Here are three to four items that I'm going to emphasize in this strategic plan during my tenure as Commissioner," then it would have worked on the outside, as well as internally. Not that these other things are not to going to be done, internal guides, but these are the ones that I'm going to place emphasize on.

One of the other problems that Dennis had, Dennis didn't bring any people with him. I don't know whether that was his choice or whether it was forced on him. In a sense, I actually advised Dennis to go. One of the problems that Dennis had was he was from California, and trying to get people to come from California to Washington, D.C., and take a pay cut is pretty tough to sell. So maybe he might have wanted to bring people with him, but couldn't do it. Now, bringing people from Nevada to Washington, D.C., and especially the kind of the people that Broadbent brought, young people, probably just getting really started in their careers and things, this was a golden opportunity for them to come.

Dennis wanted to bring in senior people, which would have been really expensive for those people to come. I don't think he could get people to come, even if he had wanted to because his network sphere was in an area where the income wasn't going to allow those people to take those kind of reductions to come and serve their government, at least in that capacity. It would have to be in a heck of a lot more responsible capacity for them to do that. I think that was one of the things.

Now, one of the things that that did, though, was that he decided which of the career officials that he could trust to carry out his agenda, and Dennis did a very good job in selecting the career officials that he could trust to carry out that agenda. It built that kind of connection, so to speak, with the career people and then the political appointee.

Dan Beard

Of course, then comes along Dan Beard, and Dan Beard was probably the most feared Commissioner we've ever had before he was ever appointed. I mean, everybody knew that Dan Beard was going to come in and be—I shouldn't say everybody, most of the people, at least the leadership people, felt that Dan Beard was

going to be bad medicine for Reclamation, that he was going to basically bring the Congressman Miller Syndrome to Reclamation, bashing Reclamation over and over again through this whole process. So that was kind of his perception in coming in.

Then when he got on board, I think people found out that he was not bringing necessarily George Miller's perception of Reclamation, that he was bringing Dan Beard's perception of Reclamation. He had worked in the Department for the [Jimmy] Carter administration, and was very knowledgeable about the Federal system, so he hit the ground running a lot faster than a lot of the previous Commissioners who had come in from externally and had no Federal experience whatsoever. So Dan became, in my opinion, a very effective Commissioner very quickly, and it was primarily because of his previous Federal experience in the Carter administration. He certainly knew a lot of people in Reclamation from his days on the Hill. He had strong opinions about some people, some good, some bad, about people who worked in Reclamation, and that's not always good, but it's a fact of life. If people know you, they're going to have an opinion about you.

So I think Dan's strength turned out to be that he was able to externally communicate what his vision for Reclamation was. His vision for Reclamation was almost identical to Dennis Underwood's, but he was able to externally communicate that and get a lot of P-R and a lot of press that he was changing Reclamation from a construction agency to a water resources management agency, which Dennis had been saying for his three years as Commissioner, but nobody ever listened to him, but everybody listened to Dan Beard. Now, maybe they listened to Dan Beard because they were trying to figure out what was his secret agenda. "This is what he's telling us, but what the hell is his secret agenda. Is he saying he's going to abolish Reclamation?" Maybe that's why he got more P-R through that whole process. But I'm not sure that that's the case. I think it was just that he knew how to communicate with the press and externally.

Dan's strength was that he knew how to focus on the three or four items that he wanted to leave Reclamation saying that he had made a difference. Dan's biggest weakness was that he brought Ed Ossan to Reclamation. Ed Ossan, coming from the environmental group, not because Ed wasn't a very talented and a very smart individual, but just because of a reputation of both Dan and Ed together made people externally at Reclamation, and even some internal people, very suspicious about Dan's motives when he had as his kind of lieutenant, or his Deputy, Ed Ossan.

So although I think Ed did a lot internally for Reclamation when he was there, Ed Ossan. Now, you won't get very many people that will agree with me on that. I think he did some damage externally for Reclamation, but it wasn't because in some cases he wasn't trying to do the right thing, it was because he was Ed Ossan, and he brought a lot of baggage of previous experiences with him in the whole process. Sometimes you can't do the right thing as a public official when you have all that baggage that you're carrying around. So I think one of the things that I learned out of this whole process is that it doesn't matter what kind of job you're trying to do or what kind of job you think you're trying to do, that if the perception and the baggage comes with you, it can hinder you from making a lot of achievement and successes in that. I

think that was the biggest thing that affected Dan Beard as Commissioner. It wasn't Dan Beard, per se; it was the perception of the baggage that Dan brought with him from his previous life, so to speak, that hindered him from being, I think, one of the greatest Commissioners that Reclamation could have ever had. Now, people probably would not like hearing Larry Hancock say that, but in my opinion, the guy was smart, he was straightforward, he had a vision about where he wanted to carry the agency, and he tried to do that.

Now, he wasn't allowed a lot of flexibility either. I mean, Assistant Secretary Betsy Rieke kind of just paraded all over his parade, so to speak, in certain circumstances, especially in the California area. Maybe it was because the administration wanted to make sure that they would be in California in the election that came up, and that will come out a little clearer in the next Commissioner. But even under Dan Beard, there was some of that.

I think what has happened in the Department of Interior, that the Assistant Commissioner for Water and Science doesn't have a legitimate job.

Assistant Secretary for Water and Science Concentrates on Reclamation

Storey: The Assistant Secretary?

Hancock: I mean, the Assistant Secretary for Water and Science doesn't have a legitimate job. They've eliminated the Bureau of Mines, so there's only two agencies that they have responsibility for: Geological Survey and the Bureau of Reclamation. The only time the Geological Survey has any interesting activities, other than scientific data collection, is when there's an earthquake or there's a volcano eruption or some kind of major geological experience.

So what does the Assistant Secretary for Water and Science have to do? Concentrate on Reclamation. Well, what they started doing was picking off the key issues from the Commissioner to manage out of the Secretary's Office. I mean, the California issues are clearly on the summit now. Maybe that's the best place to do them, I don't know. But they did this, just did it. I mean, you know, the Commissioner should have been responsible for those, but they just took them. Some of the Arizona issues, just took them. The Platte River issues, just took them. Just took them away from, so to speak, Reclamation leadership and put them in the Department.

So Dan had some of the same problems, at least, but I'm probably going to talk a little bit about Eluid as the Assistant Secretary in this administration has been such a strong individual and so interested in Reclamation issues that they have kind of become the Commissioner of Reclamation. The Commissioner is now the Deputy Commissioner, so to speak, if you want to look at it that way. But the Commissioner kind of handled the internal stuff and the non-politically sensitive issues, and the Assistant Secretary takes on the other kind of issues. In my opinion, they ought to abolish one or the other. They ought to abolish the Commissioner, just put it directly under the Assistant Secretary, or abolish the Assistant Secretary and just have the

Commissioner.

Eluid Martinez

Eluid Martinez, I worked for a short period of time. I think Eluid had his hands tied behind his back when he came on board, for two reasons. One was that we were entering into the reelection, and no one wanted to have the confidence in Eluid to turn him loose in some politically sensitive areas, like California and some other places, because they could not stand having a major foul-up and running the risk of losing California's electoral votes in the election.

Other reason was Patty Beneke. What I've said about Betsy taking over, Patty is probably even worse than Betsy ever was in terms of picking off these issues and micro managing them. So when you've got an Assistant Secretary that does that, and you work as a Commissioner, you work for the Assistant Secretary, it becomes pretty hard for you to be an effective Commissioner.

Now, the election is over, and it's just over, and they haven't asked for Eluid's resignation, so I'm assuming that he's going to be the Commissioner, at least in the future, so there is some confidence. Eluid's strength is that he gave a little more hope to some of the people that Dan Beard had just destroyed, in terms of where this agency was going in the future, in terms of its construction and design capability. Eluid came in and decided that there are some core capabilities of the Bureau of Reclamation needed to make sure that we could maintain. Then we have to figure out how we maintain it and how we finance it. So he's trying to do that and trying to make sure that we got this core capability now. Because he's saying in spite of everything that Dan Beard says, that this is still essentially an engineering organization. It may be doing a different kind of engineering, but it's an engineering organization which deals with managing water resources.

Just because you're not constructing anything, you still have this vast—this is what Dennis Underwood, too, you still have this vast reservoir of infrastructure that you have to operate and you have to maintain. It takes certain engineering skills and capabilities in order to be able to do that. If we strip this agency of those, we're asking for major problems, and they had some. Look at Folsom. Now, this was not caused by the transition that Dan Beard made. I mean, the Folsom gate failure was something that would have happened. We had the power plant, I can't remember the name.

Storey: Flatirons.

Hancock: Flatiron. So we had two circumstances under his watch, or close to his watch, that says, man, we'd better pay attention to some of this engineering stuff, or this engineering stuff may destroy this agency. Not because we're not constructing things right, because we're not maintaining things right, or we may not be maintaining well. We may not have the expertise to maintain things right. So that's where he came in. So he gave this engineering emphasis back, or engineering group a little more security to say, "Okay, we understand we still have a role in this agency. Our role is not kaput

totally. We still have a role in this agency." So that was one of the strengths that he brought.

I think Eluid's other strength is, and it may turn out to be a fault, I mean, it's so early, is that he's such a nice guy. He's so damn honest, and he's such a nice guy, and in a sense, in my opinion, he was a little naive coming from New Mexico originally, and not understanding some of the circles in Washington. He could have gotten himself in deep crap. But I think after being there a little over a year now, he's learned a lot and he's matured quite a bit. I think he's going to be all right from that particular standpoint.

Eluid's weaknesses—you know, I can't pick up on any weaknesses that Eluid has right now. He hasn't been given a whole lot of responsibility. One of his management styles, and I won't call this a weakness, but one of his management styles, I'll put it this way, impede honest feedback. That management style is, his advisory group, peers advisory group that he's decided he wants to get advice from. Well, what does he do? He comes in and he'll hear an issue, and he'll be the first one to say, "This is Eluid's take on this issue." Well, come on, Mr. Commissioner, once you say that, there's probably one or two people around that table that will ever speak up and say, "Well, we think there are some other alternatives that you ought to consider, Mr. Commissioner, in this whole process." The rest of the people are going to say, "Well, he's already decided on what he wants to do. Why in the hell should I say anything?"

So one of the things that I would do if I was advising him is that if you've got an advisory group, you should never tell them—you may have already made up your mind, you may even be leaning toward a particular decision or a particular procedure for going forward, but you don't put that on the table initially. You get your advice from the people that you're asking for advice from and you may decide that your initial concept was all screwed up. But you may not ever get that advice if you put yours on the table.

Now, I will give him credit for this, that on the occasions that I've dealt with him, that if you have the guts to say, "Commissioner, there are some other alternatives that I think you ought to consider," he is, in fact, just saying, "This is my take at this time." When he gets more information, he will make adjustments. But a lot of people don't give you that kind of information, I guess, is what I'm saying. If you're the boss, and once you put your take on the table, a lot of people close up and you never get that advice. But at least from my experience with him is that if you're willing to take the risk and say, "Boss, your idea is full of crap and it's going to get you into a lot of trouble. Here's where you need to go, or here are a couple of other ways that you may be able to go that may be a lot better than what you propose," he listens, and he'll adjust his whole process. So it's not like he's closed, but he may be closing down very valuable input by the way of his office management style.

I wish Eluid a lot of success. I think he's the first minority Commissioner we've had. We've never had a female Commissioner yet, and I think he's the first minority Commissioner that we've ever had.

Storey: I think you're right.

Hancock: So I wish Eluid a lot of success. I try, as I did during his tenure, to give him as much counsel and advice as would help him be successful in his tenure as Commissioner, and I think he will be. I think he'll be a successful Commissioner. Not only will he be a great Commissioner, but he'll be a successful Commissioner.

Storey: Another angle on the Commissioners, if you would talk about it, is your perspectives on reorganization. It's been going on since I came to the agency in '88. I think I'm beginning to see that it was starting at least in '82 or so, there was an Area Managers' meeting where they didn't understand what they were talking about, but what they were talking about was the need for reorganization, and the Area Managers' meeting, I guess, was just considered a catastrophe.

What is your take on the way reorganization has evolved, when it started, how the Commissioners assisted it, pushed it so on? We were talking about this before the tape started today.

How the Reorganization Evolved

Hancock: I think we've been in a continuous reorganization mode, which is in a sense—I can't remember what that report was, it may have been 1986 self-assessment, that Joe Hall came back—

Storey: '87 and '88, I think, that was done.

Hancock: Okay. I think ever since then, we've been kind of in a continuous reorganization process. We started out, in fact, trying to move the Commissioner to Denver and using, I think, it's the Western Area Power, or the D-O-E [Department of Energy] philosophy, that they only have four or five liaison people in Washington to work with Congress and to work with the Department, and the Commissioner would have been in Denver. I think that we moved from there, and I can't remember why we moved from there, whether it was Congress. I know Congress dictated that certain functions had to stay, like budgeting and some other things, had to stay in Washington, when we were going through that whole reorganization, the initial one.

Then the next major change, I mean, there were some subtle things done with Dennis that primarily affected the S-E-S people, and it affected like the Deputy Commissioners, but there wasn't any wholesale—some of the reorganizations were coming about under Duvall and carried on under Dennis Underwood, which was like Denver. Especially the way we set up, where we had ACRM [Assistant Commissioner Resource Management] together. We actually established ACRM.

Storey: That was under Dale Duvall.

Hancock: That's right, under Dale Duvall, and actually continued under Dennis in terms of the structure of that organization, and then the Assistant Commissioner for Engineering was being changed in that whole process. Most of the early reorganizations

concentrated on Washington and Denver. Very little impact in the regions and the area offices. So we moved through that whole process. Then comes along, I guess, after Dennis, and it pretty much stayed that way, although some minor refinements, stayed that way until Dan came on, and then Dan made this wholesale change, primarily of Denver, and then empowering, so to speak, the area offices and not making a lot of organizational changes, but allowing the regions and the area offices to make whatever organizational changes they wanted to make in this whole concept, not structured from a Washington perspective. Only when it was kind of orchestrated in the Washington perspective was the Washington Office and the Denver Office. So that's basically the kind of history of the reorganization.

Now Eluid comes on and says, "Wait a minute, I've had enough of this crap. We're not doing any more reorganization under my watch. All we're going to do is some little tweaking." I think he's held to that. We'll look at the organization to see if there's something we can do to tweak it, or change it, or make it better, but we're not going to do any major reorganizations; we're just going to do it. So that's kind of the history of it.

Now, the effectiveness of it, I don't know. You'd have to go back and you have to ask yourself. I think one of the things that was done under Dan Beard, the Technical Service Center in Denver, was one of the greatest concepts that we've come up with in Reclamation that will make the technicals—

END SIDE 2, TAPE 2. JANUARY 16, 1997.
BEGIN SIDE 1, TAPE 3. JANUARY 16, 1997.

Storey: This is tape three of an interview by Brit Storey with Larry Hancock on January 16, 1997.

You were saying what an innovation you thought the Technical Service Center was, I believe.

Creation of the Technical Service Center was Innovative

Hancock: Yes. The reason for that is that it lets people know what the Technical Service Center is costing the agency and they have to get the work. It's almost like they're always thinking about it, except it's primarily Reclamation and they're all doing some work for other Federal agencies at this time. They have to just show that they might have enough work from these various customers to pay their bills, whether they're from Reclamation, or from other Federal agencies, to carry that process out. It also put on the table exactly what it costs, so people know, up front, how much it's going to cost them to get the work done, at least for a given year, and that may change the next year, depending on how they get their work.

So I think that in itself, and it helps Reclamation do what I think Eluid wants to do, is to keep some of its unique technical capability that are required to manage this huge infrastructure that we've got, and maybe have some other agencies share the expenses of keeping that expertise, like E-P-A and some of the other people that are

doing this. I think that one was a good concept.

I think the one that I lost, and I'll put it this way, I lost the battle on, was [unclear].

Storey: We talked about Darrell Webber's concept off tape, not on tape. Could I get you to quickly run through that before we go talk about your battle? (laughter)

Hancock: Darrell Webber's concept was to have a Technical Service Center, primarily of design and construction capability, privatized, and supply services to other Federal agencies, as well as Reclamation, and maybe even some private enterprise, and actually assist private enterprise in getting contracts overseas, where the contractor could use this privatized Federal agency as a part of its resources to compete for work internationally, was kind of his concept. It never got off base, but that was the concept.

The Battle Lost

Now, back to the—what was it? Oh, the battle that I lost. I don't know why I lost this battle. That was one of the few things that Dan never really told me. Dan Beard's concept was, and my concept, when we did the reorganization in Washington with what we originally called the Policy Analysis Group—the name has changed to Program Analysis, and I'll get into that a little bit later as to why it was changed to that—was that this was the policy arm of the Commissioner, and that the policy arm should be in Washington for all kinds of reasons. The Commissioner's in Washington, the Department's in Washington, and some of the policies have to be coordinated with Washington, a lot of the policies have to be coordinated with O-M-B [Office of Management and Budget], with the Hill, all kinds of reasons for the Commissioner's policy arm to be in Washington. We wanted that policy arm to be very, very narrow, small. We wanted not to dream up policy. The only way that the policy group was supposed to go into action was, one, the Commissioner comes in and says, "I want a new policy established and this is what I want that policy to do." The policy group says, "Yeah, we'll develop policy for you, Mr. Commissioner, to do that."

The other activity that was going to be done was that if a Regional Director or an Area Manager was implementing a program and a current policy impeded them from implementing that program, then they were supposed to go to then the Director of Operations and say, "Look, the existing policy does not allow me to carry out this program effectively. I've done a little research on this and I have found that it is also hampering other people from carrying out similar programs. I would like for you to change the existing policy, but in order for me to carry out this program, I need a waiver immediately from the existing policy. So give me a waiver to the existing policy, but direct the Program Analysis Group to develop a new policy, because this policy is no longer implementable in the field." Okay.

Now, that was the two ways that the policy group was supposed to get work assignments. There was only two. They were not supposed to be sitting there

dreaming up policy things that they had to write. Now, of course, if legislation was passed and you had to do some rules and regs or whatever else, that policy will fit into the bill. That was the whole concept, and it was to be in Washington. Dan and I talked about that. The policy director was going to be in Washington. Now, most of the staff was going to be in Denver, but when the staff left or retired or whatever else, and you replaced them, instead of hiring a person in Denver, you'd hire them in Washington.

We didn't want to go through this moving of people again, we moved people from Washington to Denver, didn't want to have to move them back now. So we said, "Let's just leave the people alone, and eventually these people are going to leave. As long as the director's in Washington, he's going to hire his people to be close to him. So when people leave and whatever, and eventually all of the people of the policy group will be in Washington."

Well, I don't know what happened. The rumors are this, I'll put it this way, the rumor is this, that Don Glaser decided that the Reclamation Service Center job was external to the action, to the happenings, that it was a service bureau to Reclamation and other agencies, that it was not in the policy line, and he didn't want that job. So he went to Dan Beard and said, "I want the program analysis job." He and Dan had been working very closely together and the whole bit. Because prior to that, I was targeted to be the program analyst position in Washington, stay in Washington. Dan had talked to me before and he said, "Well, your wife is in California, what would you—" I said, "Hey, I would love to go back and be a Regional Director in some regional office at some point in time." I said, "I have no problem with it." So one day Dan pops in my office and he says, "How'd you like to be a Regional Director, Lower Colorado Region?" I said, "I'd love it." "Fine."

Then I heard, after that was done, that Don was going to be head of the Program Analysis Office, and the head was going to be in Denver, and the Deputy was going to be in Washington. Now, I had the concept that the head would be in Washington and the Deputy in Denver, and if I was going to be it, I wanted Bill McDonald to be my Deputy in Denver, because I thought Don was going to be head of the Reclamation Service Center. This is what everybody had assumed that was going to be. That was where most of the people in Denver was going to be, and we assumed he wanted to be in that position. So I think that's how I got to be Regional Director here in the Lower Colorado Region, was that Don decided he wanted the job that I was earmarked for, and Dan agreed with him, and I agreed to move to Denver.

Well, still the puzzling thing to me is, why Dan Beard, when Don Glaser left, didn't move it to Washington where Austin Burke was, instead of moving Austin Burke to Denver. But I know Austin Burke wanted to get back to Denver because his son was there and was growing up. It may be Dan made some accommodation for Austin to go to be close to his family, and that's the assumption that has been made on this whole process.

Now, I lost that battle, and I don't think it's ever going to work right until it's in Washington or with the Commissioner. I should say, until it's with the Commissioner

and it actually functions on those three items I gave you. One, when legislation's passed that requires some policies or some rule-making for Reclamation to carry out that legislation, and then Program Analysis Group should get involved in developing that process. Otherwise, when the new Commissioner comes in, or an old Commissioner comes in, and says, "Well, I don't like this policy that we have about R-R-A," [Reclamation Reform Act] or, "I don't like this policy we have about how we develop NEPA documents. I want it changed," or that one of the existing policies are causing people in the field some problems, which they do all the time, and people try to work around them, and never report it back to Washington, so you never get the policy, most of the policy should be coming up. Once you have an agency that is this old, you got a lot of policies in place. Okay. Any changes to those policies should be coming from those people who are having to live within those policies in the field, to carry out your mission and your program, and it should be a bottom-up process. It shouldn't be people in [unclear], "I need to put more restrictions on these people, so I need this policy written, and I can get the Commissioner to write this policy." It should be the people in the field saying, "I need more latitude in your policy."

Problems with Policy

Well, a good example, when I was Regional Director here, had some small Reclamation loans they came in that said, for me to approve. When it got to me, I said, "I'm not going to approve this." They said, "Why aren't you going to approve this? Everybody in Washington, everybody bought off on this."

I said, "This particular loan is setting up what I consider hobby farms, and I thought Reclamation was supposed to be getting out of the business of providing subsidized water to hobby farms." A hobby farm is kind of a suburb where they may have two or three horses on the land or whatever, but they've got acres which would qualify them to get subsidized irrigation water instead of paying the M&I [Municipal and Industrial] rates. I said, "No." They said, "Well, it's consistent with current policy. It has the five acres," or whatever the limit was.

So I said, "Okay." So I wrote Austin Burke a letter, as Regional Director—he was head of Operations—saying, "I need a waiver from this policy. If I am going to disapprove this loan application and I've got to go back to the constituent to disapprove it, I need a waiver from this policy, because if I go back and try to disapprove it on this basis, although this is what we want to do, this is the concept we want to get across to people, they're going to pull out my own policy and beat me over the head with it and say, "This is within your policy. This is what your policy says. As long as we've got five acres, we're entitled to irrigated water. I want to go back and say, 'Yes, the policy said that, but I've got a waiver from the Commissioner for these particular cases to say that this is inappropriate because Bureau of Reclamation no longer wants to subsidize water to hobby farms.'"

I never got a response. I finally called Austin. This was when he was Chief of Operations. He said, "Oh, I gave that to Ed Ossan, and I gave that to Don Glaser, and they're going to develop a policy." I said, "Austin, I have these loan contracts on my desk. I can't wait for them to develop a new policy. That's why I asked for a waiver."

If I have to wait for them to develop a new policy, these people are going to beat up me, the Commissioner, and everybody else politically, because these things are still sitting on my desk, and they comply with all our current policies." I said, "So I have no choice. I'm going to have to sign these agreements, although I disagree with them."

So I signed them, after sitting on my desk for a couple months, I signed them. Policy is not out yet, but they could have easily given me a waiver, and I could have taken that waiver and said, "Here's the reason." I was willing to write, "Here's the reason for the waiver, because it's inconsistent with the way Reclamation thinks that it should be managing water in the West, that we should no longer be providing subsidies, inappropriate subsidies. You're going to have to classify this as municipal and industrial water, etc., and pay the full rate for these, and that changes your loan formally in this whole process, or we're not going to approve these loans," and we would have been on the high ground. But when someone can beat you over the head with a policy that says, "We did everything according to your policies, and now you're going to disapprove it?" So I mean, that's the case and that's where I was.

The name change is kind of an interesting story. Austin Burke, was in Washington during a time when we were having this extreme snow process. Ed Ossan, we couldn't even get into our office because the weather was so bad, so we were meeting in a restaurant to try to work out what the Washington organization was going to look like. It became perfectly clear to Austin and I, during those meetings, that Ed Ossan was determined that there would only be one organization in Reclamation with the word "policy" in its title, and it would be his. I don't know what the name of it was, it was a long name, Policy and External Affairs, or something like this, is the organization that he was over. So the first name of the Program Analysis Group was Policy Analyst Group. I said, "Why can't both organizations have policy in it?" I said, "In one case, what we're saying is that if there's any policies to be changed by the Commissioner, they have to come through you," which was Ed Ossan. I said, "That's fine, but there's other policies that come up from conversation that need to be changed." Now, the Commissioner still has to say, "Okay, I want this policy changed, because it is consistent with the way I want to carry the agency." But that can be done at the staff level and they are policy, too. They're developing policy recommendations for the Commissioner. I don't understand this thing.

But anyway, we learned that there was just no—it was something that he wanted to be able to put on his résumé, or be able to point to, but whatever, to say, "I am the chief policy-maker, or policy advisor, to the Commissioner in Reclamation. No one else is the Chief Policy Advisor. I am it." I said, "Well, let's just call it Program Analysis. Hell, who cares." (laughter) That's how it got its name, Program Analysis. Kind of interesting little study on that.

Storey: Interesting the way these things sometimes function.

Hancock: Yeah, it sure is. I think eventually, though, I don't know, I don't know this Commissioner is not going to do it, because this commissioner is great, but they get a Commissioner who is really functioning as a Commissioner, meets his part and looks

at the organization, and says, "Why do I have my policy staff in Denver?" You know, I mean, the way the things are now, everybody says, well, with telecommunications and with the—I mean, that's not a point. They're going to come to the same realization that Dennis did about his Deputy being in Denver. But if you could really make Denver clean, if Denver was a service center, if you got policy analysis out it that's where we'd be. Denver would be a Reclamation service center, it wouldn't be any other little frills. Even research fits into a service center. There wouldn't be any other frills attached to it. All the other frills would be either in Washington or in the regional offices. To me that makes a lot of sense. When I become Commissioner I'm going to make that change. (laughter)

Storey: Do you have anything else you want to talk about it?

Hancock: Nope, not really. I'm about talked out. I didn't think I had this much to talk about.

Storey: We really did it. I appreciate your coming in after your retirement and talking to me again. Once again, 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 one year after you leave Reclamation.

Hancock: Yes.

Storey: Thank you.

END SIDE 1, TAPE 3. JANUARY 16, 1997.
END OF INTERVIEWS.