

Minutes of Special Meeting
COLORADO RIVER BOARD OF CALIFORNIA
Wednesday, May 10, 2006

A Special Meeting of the Colorado River Board of California (Board) was held on the second floor in the McKee Room of the Casa Munras Garden Hotel, at 700 Munras Avenue, Monterey, California, on May 10, 2006.

Board Members and Alternate Present

John V. Foley, Vice-Chairman
James H. Bond
Henry Merle Kuiper
John W. McFadden

James B. McDaniel
John Pierre Menvielle

Board Members and Alternates Absent

Lloyd W. Allen, Chairman
Dana Bart Fisher, Jr.
Charles van Dyke

Jeanine Jones, Designee
Department of Water Resources
Curt A. Taucher, Designee
Department of Fish and Games

Others Present

Celeste Cantu
John Penn Carter
William J. Hasencamp
Gordon A. Hess
Michael L. King
Beth Jines
Stella A. Mendoza
Mick Mouser
Dan Parks

Roger K. Patterson
Halla Razak
Peter S. Silva
James J. Taylor
Bill D. Wright

J.C. Jay Chen
Gerald R. Zimmerman

CALL TO ORDER

Vice-Chairman Foley, in the presence of a quorum, called the meeting to order at 3:03 p.m.

OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

Vice-Chairman Foley asked if there was anyone in the audience who wanted to address the Board on items on the agenda or matters related to the Board. Hearing none, Vice-Chairman Foley moved to the next agenda item.

ADMINISTRATION

Approval of Minutes

Vice-Chairman Foley asked if there was a motion to approve the April 12, 2006, meeting minutes. Mr. McFadden moved approval of the April 12th Board meeting minutes.

MOTION: Upon the motion of Mr. McFadden, seconded by Mr. McDaniel, and unanimously carried, the Board approved the April 12th Board meeting minutes.

Colorado River Board of California Fiscal Year 2006-2007 Budget

Mr. Zimmerman reported that included in the Board handout package is the draft fiscal year 2006-2007 budget. The budget includes normal cost of living increases and the re-authorizations of two staff positions that were empty during the budget reduction period. Two staff positions were given up during recent budget cuts that were made agency and department wide. There was no other budget item that could be cut that would satisfy the required reduction other than staff positions. The draft fiscal year 2006-2007 budget proposes the reauthorization of two staff positions. One of which would be an office technician. Board activities would influence the positions to be filled. A more detailed budget will be included in the June Board folder and package for the Six Agency Committee.

PROTECTION OF EXISTING RIGHTS

Colorado River Water Report

Mr. Zimmerman reported that as of May 3rd, the storage in Lake Powell was 11.2 million acre-feet (maf) or 46 percent of capacity. The water surface elevation of Lake Powell was 3,593.9 feet. The storage in Lake Mead was about 14.9 maf, or about 58 percent of capacity. The water surface elevation of Lake Mead was 1,135.6 feet. The total System storage was 33.8 maf, or 57 percent of capacity. That's about 2 maf more in storage than this time last year. Last year, at this time, there was 31.78 maf in storage, or 53 percent of capacity.

Mr. Zimmerman reported that precipitation in the Basin from October 1st through May 4th was about 98 percent of normal. The snowpack equivalent, which is based on 116 SNOTEL sites through out the Basin, is 63 percent of normal. The projected unregulated flow into Lake Powell for April through July 2006 is estimated to be 6.8 maf, or 86 percent of average. The estimated unregulated inflow into Lake Powell for water year 2006 is about 10.5 maf, or 87 percent of average. The Basin hydrology is below that of last month by about 10 percent and about 20 percent below that of two months ago. The snowpack projection is nearly 40 percent less than last month. Precipitation has been near normal but climate conditions have not been favorable to the snowpack in the upper elevation of the watershed, especially the lower part of the Basin.

Mr. Zimmerman reported the projected consumptive use through the end of 2006. The State of Nevada is expected to use its normal apportionment of 300,000 acre-feet; Arizona is also expected to use its basic apportionment of 2.8 maf; and California is projected to consumptively

use its basic apportionment of 4.4 minus payback for overruns that were made in previous years. Reclamation projects that the total Lower Basin consumptive use will be 7.412 maf.

State and Local Water Reports

Mr. Zimmerman noted that no one from the State Department of Water Resources (CDWR) present, so he reported the general information provided by CDWR. Precipitation in Southern California is below normal except for Santa Barbara, the South Central Coastal area. However, in the northern part of the state the precipitation has been above average. Precipitation in the Sacramento River watershed was 172 percent of normal. With increased inflow following a wet year and with most of the State Water Project reservoirs full, the CDWR has increased the State water allocations to 100 percent. The last time 100 percent allocations were approved was in 1999. This year is the first time the State Water Project Contractors have scheduled to receive their full State Water Project allocation with approval to do so.

Vice-Chairman Foley of The Metropolitan Water District of Southern California (MWD) reported as of May 1st, that Diamond Valley Lake is at 99 percent of capacity, or about 804,000 acre-feet. Lake Mathews is at 86 percent of capacity, or about 157,000 acre-feet. And Lake Skinner is at 86 percent of capacity, or about 38,000 acre-feet. Total MWD reservoir storage is at 96 percent of capacity, or about 999,000 acre-feet.

Mr. McDaniel of the Los Angeles Department of Water and Power reported that last month the Mammoth station for the April 1st snowpack had reached its highest point of 170 to 175 percent of normal. Precipitation was similar to last year and the runoff was 123 percent of normal. This year, following a wet year, the forecast for runoff is 135 percent of normal. It is going to be another good year for the Los Angeles Aqueduct System.

Arizona v. California

Mr. Zimmerman reported that Mr. Abbey of the Attorney General's Office reported that the Conference of Western Attorneys General's is holding a formal get together to acknowledge the conclusion of the *Arizona v. California* Supreme Court litigation on May 19th in Phoenix, Arizona. There will be panel discussions, a reception and dinner commemorating 53 years of litigation culminating as the Consolidated Decree. Attorneys from the agencies that have been involved in the litigation will probably be attending the celebration.

Colorado River Operations

State Water Contractors Organization's Letter to Regional Board (Santa Ana Region) Requesting an Extension for Comment Period Concerning Groundwater Recharge Resolution No. R8-2006-0042 and Order NO. R8-2006-0005

Mr. Zimmerman reported that the State Water Contractors had sent a letter to the Regional Water Quality Control Board, Santa Ana Region, requesting an extension of the comment period and continuance of the hearing that was scheduled on May 19th regarding the proposed Resolution No. R8-2006-0042 and Order No. R8-2006-0005. The proposed resolution and order would modify the water quality criteria parameters for water recharged to local aquifers. The State Water Contractors are petitioning the Regional Board for additional time to

prepare technical and legal comments on the proposed resolution and order. There is interest in using the Colorado River water to recharge some of California's groundwater basins. However, Colorado River water is higher in salinity than some of the groundwater aquifers. Treatment to reduce the salinity may be cost prohibitive. Maybe with adequate blending reduce the overall salinity those waters can be used for recharging the groundwater supplies either through recharge basins or injection wells.

Transbasin Aquifer Assessment Act H.R. 469

Mr. Zimmerman reported that Congressman Jim Kolbe of Arizona introduced the United States-Mexico Transboundary Aquifer Assessment Act. This Act would authorize the Secretary of the Department of the Interior to coordinate with the border states in conducting hydrogeologic characterization, mapping and modeling programs. Three aquifers have been given priority as they are identified in the Act: two between the State of Arizona and Mexico and the third between the State of Texas and Mexico. The Act authorizes the Secretary to identify and designate additional transboundary aquifers for evaluation and characterization. One criterion to determine eligibility for prioritization would be population, another would be the water use in a region. There are regions along the border of California and Mexico that could also be considered under this Act. The Act authorizes the appropriation of \$50 million for fiscal years 2006 through 2015. Half of the funding would be available for water resources research institutes to carry out the studies. There was a hearing held on May 10, 2006, and the record was open for two weeks after the hearing to receive comments for the record.

Basin States Discussion

Mr. Zimmerman reported that several meetings and conference calls have been held. There are no items yet to be brought to the Board for consideration. The Intentionally Created Surplus (ICS) demonstration program of 2006 and 2007 is proceeding. The Imperial Irrigation District (IID) is proposing to create 5,000 acre-feet in 2006 and 25,000 acre-feet in 2007. The Metropolitan Water District of Southern California (MWD) is proposing to create 50,000 acre-feet in 2006 and up to 200,000 acre-feet in 2007. The Coachella Valley Water District (CVWD) and the San Diego County Water Authority (SDCWA) have expressed an interest in participating in 2007. The maximum amount of ICS water that can be created for California through the program is 400,000 acre-feet for both 2006 and 2007 combined. There are some differences between Arizona and Nevada on how the Interim ICS program will work. How the ICS credits can be used and the forbearance agreements to allow the creation and use of ICS credits are yet to be resolved between Arizona and Nevada. Discussions are continuing and somewhere in the details of Arizona's concept of the apportionments under the Decree, and through forbearance agreements tied specifically to the source of water and the conditions under which each state can forbear use of that water and make it available to the state that created it, may be the resolution of the differences.

Mr. Zimmerman reported that the Basin states Technical Committee are continuing to meet. Discussions have been focused on the "No Action" alternative and Reclamation's modeling studies. The "No Action" alternative is where each year the operating plan is based on the development of data that supports that type of operating plan. Perspectives of the "No Action" alternatives included a range, while there was a qualitative rather than quantitative description. The potential and history of forced management plans was also discussed. The

Technical Committee also discussed alternatives where the elevation of the power pool behind Lake Powell is not protected. Without protecting the power head at Lake Powell, the 602(a) rule curve would need to be revised as well.

Mr. Zimmerman reported that Reclamation plans to release its alternatives report by the end of May. There may be as many as six alternatives. One alternative would be the “No Action” alternative. Another would be a “conservation before shortage” alternative, similar to proposals endorsed by the environmental community. The third would be the Basin states alternative. Reclamation is working to complete the modeling assumptions that could be used to model this alternative. The fourth alternative may be a water supply alternative where elevations in the reservoirs are not protected. The fifth alternative may be where the power head elevations are protected at both Lakes Powell and Mead. The sixth alternative may be a combination of protection of elevations in Lakes Powell and Mead with additional measures taken to protect recreation, power generation, and water supply intakes. If conservation is not sufficient to protect water surface elevations in Lakes Powell and Mead, then additional measures could entail a compact call on the Upper Basin to curtail uses and could also mean shortages in the Lower Basin. The Basin states plan seeks to minimize impacts on both objectives.

Mr. Zimmerman reported that the next Basin States Technical Committee meeting is scheduled for May 15th. The next Lower Basin states meeting is scheduled for May 17th. The next seven Basin states meeting is scheduled to be on June 21st.

Miscellaneous News Articles

Mr. Zimmerman reported that included in the Board folder are several news articles. One article describes the proposed Lake Powell pipeline to the St. George region in Utah. There are two articles about Denver Water considering purchasing the water rights retained by Shoshone Power Plant near Glenwood Springs, Colorado. Moving this water to Denver could negatively affect the salinity of water utilized downstream by users below Glenwood Springs.

Lower Colorado River Inspection Trip

Mr. Zimmerman reported that the Board had contacted Reclamation in regards to including Board members and agency staff on Reclamation’s semi annual Lower Colorado River inspection tour. Reclamation has expressed a willingness to provide such a tour. The next Lower Colorado River inspection tour is tentatively scheduled for Board members and agency staff from October 16th to the 18th. Reclamation conducts a River inspection tour twice annually for stakeholders. One is in the Spring, the other in the Fall. The purpose of the tour is to provide information regarding the status of ongoing operations, maintenance, and environmental activities. Mr. Zimmerman asked the Board members to keep the dates open and that more details would be available as the inspection tour approaches.

Colorado River Environmental Activities

Status of the Lower Colorado River Multi-Species Conservation Plan (LCR MSCP)

Mr. Zimmerman reported that the Steering Committee of the LCR MSCP met in Las Vegas, Nevada, on April 26th. Reclamation distributed the fiscal year 2005 Accomplishments

Report. The report described program implementations during 2005. The draft 2006 Implementation Budget and Work Plan was also distributed at the meeting. This report included items that Reclamation is currently working on and planning to implement in 2007. The fiscal year 2007 budget is estimated to be \$12.6 million for implementation of the LCR MSCP. The non-federal share of the budget is estimated to be \$6.3 million. Of that amount, the Board's share of \$7,000 has been budgeted.

Glen Canyon Dam Lawsuit

Mr. Zimmerman reported that the Board folder included the United States' motion to dismiss the first claim for relief in the pending lawsuit brought by five environmental groups to modify the operations of Glen Canyon Dam for the benefit of endangered species and habitats below Glen Canyon Dam in the Grand Canyon National Park. The government asserts that the plaintiff's claim fails to state a claim for which relief can be granted by the Court. The government believes the plaintiff's claim relates to actions that are outside the Secretary's discretion and seeks to compel actions not required by existing law.

There was some discussion regarding possible intervention by other states and water agencies and other stakeholders along the Colorado River.

WATER QUALITY

Colorado River Basin Salinity Control Forum Meeting

Mr. Zimmerman reported the Salinity Control Forum and Work Group met in St. George, Utah, on May 2-4, 2006. California was represented at the meeting by Mr. Zimmerman, Ms. Celeste Cantu of the State Water Resources Control Board, and Roger Patterson of MWD. The Work Group met on May 2nd. There was a tour of the area around St. George on May 3rd. Areas were identified on the tour where salt was coming into the River. Specific projects to remove the salt loading were not identified. An appreciation and more interest in the area generated in regards to the area, and that interest and appreciation may equate to actions in the future to reduce the salt loading in the area of St. George. Mr. Larry Anderson, the recently retired Director of the Division of Water Resources for the State of Utah, was on the tour and gave a description of the proposed pipeline from Lake Powell to the St. George area. The pipeline would provide 100,000 acre-feet to three counties in the St. George area in Utah.

Mr. Zimmerman mentioned that Forum meeting was held on May 4th, and that at the Forum meeting he had been elected Chairman of the Forum. Mr. Zimmerman will replace outgoing Chairman, Mr. Rod Kuharich of Colorado. Mr. Patrick Tyrrell of Wyoming was elected the Vice-Chairman. Also, Mr. Tim Henley of Arizona had recently retired from state service. However, the Arizona Department of Water Resources has agreed to fund his continued chairmanship of the Forum Work Group. So, Mr. Tim Henley was re-elected and will continue to be the Chairman of the Salinity Control Forum's Work Group.

Mr. Zimmerman reported that the Forum had agreed to Reclamation's repayment schedule of the Paradox Valley Salinity Control Project. Reclamation had determined that the life of wells of the project was 30 years, but the rest of the facilities have a 50 years life.

Originally, Reclamation had amortized re-payment schedule for 30 years requiring a large lump sum that would have placed the Lower Basin Fund in a negative position. The fund may have run out of money and wouldn't be able to repay other salinity control projects. However, Reclamation agreed to re-amortize the non-well facilities of the Paradox Project over a 50 years period, thereby lowering the scheduled payments and ensuring the solvency of the fund at least through 2018.

Mr. Zimmerman reported that the Forum identified the Silt Project as another salinity project area in Colorado to begin to do some salinity control measures. It's a small project but there is an opportunity to reduce the amount of salt from entering the River. This new project could also enlist cooperators to implement programs that could further reduce salt loading from the Upper Basin.

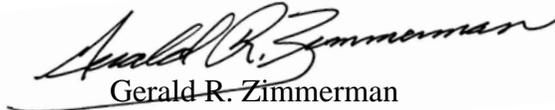
OTHER BUSINESS

Next Board Meeting

Vice-Chairman Foley announced that the next meeting of the Colorado River Board will be held on Wednesday, June 14, 2006, 10:00 a.m., at the Ontario Airport Marriott Hotel, 2200 E. Holt Boulevard, Ontario, California.

There being no further items to be brought before the Board, Mr. Kuiper moved that the meeting be adjourned.

MOTION: Upon the motion of Mr. Kuiper, seconded by Mr. Menvielle, and unanimously carried, the meeting was adjourned 4:09 p.m. on May 10, 2006.



Gerald R. Zimmerman
Executive Director