

Minutes of Special Meeting
COLORADO RIVER BOARD OF CALIFORNIA
Tuesday, August 29, 2006

A Special Meeting of the Colorado River Board of California (Board) was held in conjunction with the Urban Water Institute's thirteenth Annual Southern California Urban Water Conference, in Ballroom Islands A in the Tower Building, Hyatt Regency Islandia Hotel, 1441 Quivira Road, San Diego, California, on August 29, 2006.

Board Members and Alternates Present

Dana Bart Fisher, Jr., Chairman
James H. Bond
Henry Merle Kuiper
James B. McDaniel
John W. McFadden
John Pierre Menvielle
William D. Wright

Jeanine Jones, Designee
Department of Water Resources

Christopher G. Hayes, Designee
Department of Fish and Game

Board Members and Alternates Absent

John V. Foley

Terese Marie Ghio

Others Present

Mark D. Beuhler
John Penn Carter
Tellis Codekas
William I. DuBois
Thomas M. Erb
Mario Escalera
David Fogerson
James C. Hanks
William J. Hasencamp
Gordon A. Hess
Andy G. Horne
Cliff Hurley
Russell Kitahara
Brad Luckey
Jay W. Malinowski
Jan P. Matusak

Roger K. Patterson
David R. Pettijohn
Halla Razak
Steven B. Robbins
Peter S. Silva
William H. Swan
Joseph A. Vanderhorst
Peter E. von Haam

William S. Abbey
Abbas Amir-Teymoori
J.C. Jay Chen
Mark Van Vlack
Gerald R. Zimmerman

CALL TO ORDER

Chairman Fisher, announced the presence of a quorum, called the meeting to order at 1:55 p.m.

OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

Chairman Fisher 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. Mr. Cliff Hurley of El Centro delivered comments associated with the current Reclamation process related to the environmental impact statement preparation for interim shortage guidelines and coordinated reservoir management strategies for Lakes Mead and Powell. Mr. Hurley also stated that he believed that there was a distinction between 'real water conservation' and fallowing programs to create 'wet water' for the Intentionally Created Surplus (ICS) program.

ADMINISTRATION

Approval of Minutes

Chairman Fisher noted that approval of the June 14th and July 12th meeting minutes was required. Upon the motion of Mr. McFadden, seconded by Mr. Bond, and unanimously carried, the Board approved the June 14th meeting minutes. Upon the motion of Mr. Bond, seconded by Ms. Jones, and unanimously carried, the Board approved the July 12th meeting minutes.

PROTECTION OF EXISTING RIGHTS

Colorado River Water Report

Mr. Zimmerman reported that as of August 16th, the storage in Lake Powell was 12.2 million acre-feet (maf), or 50 percent of capacity. The water surface elevation was 3,605 feet. The storage in Lake Mead was 14.0 maf, or 54 percent of capacity, and water surface elevation of nearly 1,127 feet. Total System storage was about 34.25 maf, or 58 percent of capacity. Last year at this time, there was 35.71 maf in storage, or 60 percent of capacity. Storage is down about 1.5 maf from this time last year.

Mr. Zimmerman reported that precipitation is about 96 percent of normal, and the snowpack is virtually nil at this time of year. The projected April through July runoff into Lake Powell for Water Year 2006 was about 5.32 maf, or 67 percent of normal. The projected water year unregulated inflow into Lake Powell is about 8.77 maf, or about 73 percent of normal.

Mr. Zimmerman added that the Reclamation forecast of consumptive use (CU) for the State of Nevada is about 302,000 acre-feet, and for Arizona the CU is forecast to be 2.784 maf, and for California the consumptive use is forecast to be 4.33 maf. Overall CU in the Lower Basin is expected to be about 7.42 maf.

State and Local Water Reports

Mr. Wright reported that Diamond Valley Lake storage is about 800,000 acre-feet, or 99 percent of capacity; and the overall storage in the MWD reservoir system is about 96 percent of capacity.

Mr. McDaniel of the Los Angeles Department of Water and Power (LADWP) reported that though all of the measurable snowpack in the eastern Sierra has melted, the LADWP reservoirs are full and the Los Angeles Aqueduct is expected to be operated at capacity through the end of summer.

Colorado River Operations

Draft 2007 Annual Operating Plan

Mr. Zimmerman reported that the Colorado River Management Work Group had its second meeting in July to develop the 2007 Annual Operating Plan for the Colorado River System Reservoirs (2007 AOP). Under all of the potential water supply scenarios, the draft 2007 AOP still projects an objective minimum release of 8.23 maf from Lake Powell. If there is an extremely large runoff, then the objective minimum release could be increased. Based upon the projected water surface elevation of Lake Mead on December 31st, Hoover Dam will be operated under a Partial Domestic Surplus condition. Also within the draft AOP, Mexico will be able to schedule the delivery of 1.5 maf. Mr. Zimmerman reported that revised copies of the draft 2007 AOP are available for review and download on Reclamation's website at: http://www.usbr.gov/uc/water/rsrvs/ops/aop/aop07_draft.pdf

Arizona Water Banking Authority – Southern Nevada Water Authority's Interstate Account

Mr. Zimmerman reported that on July 18th the Arizona Water Banking Authority (AWBA) submitted its annual accounting to Reclamation regarding the status of the Southern Nevada Water Authority's (SNWA) interstate account for calendar year 2005. As of January 1, 2005, SNWA had 125,260 acre-feet of water in its account. During calendar year 2005, the AWBA stored an additional 120,541 acre-feet on behalf of SNWA. After accounting for operational and evaporation losses, and less the mandatory five percent cut to replenish local aquifers, the SNWA retains 237,066 acre-feet of long-term storage credits. Mr. Zimmerman stated that a copy of the AWBA annual accounting report describing SNWA's account was included in the Board folder.

Supplemental EIS/EIR for the IID Water Conservation & Transfer Project

Mr. Zimmerman reported that on July 17th the California State Clearing House distributed a notice of preparation of a supplement to the environmental impact report (EIR) associated with the Imperial Irrigation District (IID) Water Conservation and Transfer Project. Based upon several changes to the proposed project made in the course of processing the approvals of the Habitat Conservation Plan (HCP) with the U.S. Fish and Wildlife Service and California Department of Fish and Game, IID and Reclamation have decided to prepare supplemental environmental documentation pursuant to the National Environmental Policy Act and California

Environmental Quality Act. Comments, based upon the notice of preparation, were to have been submitted to IID by August 17th. Mr. Zimmerman stated that Board staff had prepared a brief comment letter articulating the position that this project is an integral element in the overall Quantification Settlement Agreement. Mr. Zimmerman also mentioned that a copy of the State Clearing House letter and IID's notice of preparation were included in the Board folder.

All-American Canal Lining Lawsuit

Mr. Zimmerman reported that the Board folder and handout materials included copies of court orders, decisions, and articles related to the All-American Canal (AAC) Lining lawsuit. Mr. Zimmerman briefed the Board that on July 3rd U.S. District Court Judge Philip M. Pro issued an order in the case. The Judge's order was entered in favor of the defendants. On August 14th the plaintiffs requested an emergency injunction staying the project with the U.S. Ninth Circuit Court of Appeals. Mr. Zimmerman reported that the Ninth Circuit granted the stay on August 24th and will calendar the case to be heard before a full panel of the Circuit Court the week of December 4th. There was some discussion among Board members and attorneys in the audience regarding potential scheduling and when a final decision might be issued by the Court.

Notice of Proposed Rulemaking Regarding Regulating Non-Contract Use of Colorado River Water in the Lower Basin, August 18, 2006

Mr. Zimmerman reported that on August 18th Reclamation published a *Federal Register* notice (71 FR 47763-47764) regarding the initiation of a proposed rule-making process to address and reduce the use of mainstream Colorado River water in the Lower Basin without a Section 5 contract. Mr. Zimmerman reminded the Board that it had, on several occasions, submitted correspondence to Reclamation to urge it to undertake just such a task. Comments, based upon information provided in the *Federal Register* notice are due in Reclamation's Lower Colorado Regional Office on or before October 17th. Mr. Zimmerman stated that Board staff will be preparing a comment package that will be circulated among the agencies in the near future. Mr. Zimmerman encouraged the Agency Managers and staff to consider preparing comment letters addressing this issue as well.

Drought Study/Tree-Ring Analysis

Ms. Jeanine Jones, of the Department of Water Resources (DWR), informed the Board that it had funded a study through the University of Arizona's Tree-Ring Laboratory to look at extending the stream flow record back further. She stated that the current record extends back to about 1500. She said that DWR had received a 'peer-review' version of the report, and that when the report is finalized it would be made available to interested parties upon request. She indicated that the study has determined that the long-term mean is about 14.7 million acre-feet annually, which is fairly consistent with the existing historical stream flow record data in the basin. She stated that there was an apparent 57-year period of drought during the 1100s.

Basin States Discussion

Mr. Zimmerman reported that the Basin states met on July 13th and 14th in Denver, Colorado. Discussions at the meetings continue to generally revolve around the following items: (1) the 2006 Draft Hydrologic Determination on the availability of water from Navajo Reservoir

for use in New Mexico; (2) the Draft EIS alternatives for the development of shortage guidelines and coordinated reservoir operations; (3) continuation of the weather modification being funded by the Lower Division states; and (4) participation and recovery of water stored through the ICS demonstration program.

2006 Upper Basin Hydrologic Determination

Regarding the 2006 draft Hydrologic Determination, Mr. Zimmerman reported that Reclamation staff described how the determination was prepared and the rationale that was used to determine the yield in the Upper Basin. A number of questions and issues were raised during the meeting regarding the yield determination and the analysis that supports it. Based upon the discussion, representatives of the Lower Basin states decided to prepare a letter to Secretary Kempthorne outlining their concerns.

The primary areas of concern that were raised during the meeting were: 1) the process that was used by Reclamation that did not involve the Lower Division states, especially when methodologies and assumptions have been utilized that are not consistent with past hydrologic determinations or processes involving ongoing Basin states discussions; 2) the exclusion of an alternative that analyzes the Lower Basin's position regarding the Upper Basin's water delivery obligation to the Lower Basin; 3) the assumptions regarding the non-Colorado River Storage Project reservoirs and the role that they may play during the assumed critical period; and 4) the modeling that was utilized in the 2006 Hydrologic Determination.

Mr. Zimmerman also briefed the Board regarding the letters sent to Secretary of the Interior Kempthorne from New Mexico Senator Bingaman and from Arizona Senator Kyl. Senator Bingaman took the position of requesting the Secretary to approve the 2006 Hydrologic Determination and issue a record of decision for the Navajo-Gallup Water Supply Project. Senator Kyl's letter requested that the Secretary hold off on the approvals until more consultation between the states is conducted, and that the Lower Division states' issues are more fully evaluated.

Mr. Zimmerman stated that an attempt to finalize the Lower Division states' letter would occur during the Lower Basin states meeting in San Diego on August 31st. Mr. Zimmerman informed the Board that while there was still disagreement between the three Lower Division states on the actual language to be included in the letter to Secretary Kempthorne, it was still expected that the three states would reach a consensus agreement on the final language.

Status of the Draft Environmental Impact Study (DEIS) for Shortage Guidelines and Coordinated Reservoir Operations

Mr. Zimmerman reported that a major topic discussed at the Basin states meetings has been the National Environmental Policy Act/Environmental Impact Statement (NEPA-EIS) process. Reclamation described the five alternatives that it is proposing to evaluate in its NEPA/EIS processes to develop Lower Basin Shortage Guidelines and Coordinated Management Strategies for Operations of Lake Powell and Lake Mead. The five alternatives include: 1) the No Action Alternative; 2) the Basin States Preliminary Alternative; 3) the Conservation Before Storage Alternative; 4) the Water Supply Alternative; and 5) the Reservoir Storage Alternative. With the identification of these five alternatives, Reclamation is of the

opinion that a broad range of alternatives have been identified for analysis in the NEPA/EIS process. It is anticipated that the draft EIS will be published in December 2006.

Colorado River Basin States Weather Modification Workshop

Mr. Zimmerman reported that during the July 13th Lower Basin states meeting it was decided that the weather modification demonstration effort that was initiated in 2006 should be continued in 2007. This would involve extension of ongoing efforts in Colorado, Utah, and Wyoming. Also, it was decided to form a committee to develop a 5-Year Program that could be considered by the Basin states representatives.

Upcoming Basin States Meetings

Mr. Zimmerman reported that the Lower Basin states were scheduled to meet on August 31st in San Diego, California. The seven Basin states are attempting to schedule a meeting in September in Phoenix, Arizona.

SNWA Letter to Reclamation Regarding Intentionally Created Surplus (ICS)

Mr. Zimmerman reported that SNWA notified Reclamation on July 28th that it will not request any water stored in Lake Mead through the ICS demonstration program to be made available as unused apportionment. Further, SNWA indicated that this position would apply to ICS water supplies created in both 2006 and 2007. Mr. Zimmerman noted that a similar letter was sent to Reclamation by the Central Arizona Water Conservation District in May 2006.

Colorado River Environmental Activities

Glen Canyon Dam Adaptive Management Program

Mr. Zimmerman reported to the Board that on July 13th the Grand Canyon Trust responded, via letter correspondence, to the June 16th memorandum distributed by Assistant Secretary of the Interior for Water and Science, Mark Limbaugh, to the members of the Glen Canyon Dam Adaptive Management Work Group (AMWG) providing an update on several significant items of interest.

Mr. Zimmerman reminded the Board that Assistant Secretary Limbaugh had reported that Secretary Kempthorne has been fully briefed about the importance of the Glen Canyon Dam Adaptive Management Program. Also, the Assistant Secretary indicated that he had visited with the staff of the Grand Canyon Monitoring and Research Center and visited several monitoring sites in the Grand Canyon. The Assistant Secretary also stated that he was encouraged by recent reports that the endangered humpback chub population in Grand Canyon seems to have stabilized. Finally, the Assistant Secretary had identified a proposed short-term schedule for upcoming AMWG meetings.

In the Grand Canyon Trust (GCT) letter, the GCT felt obliged to respond to two issues, including: (1) the role of the Secretary's Office in the AMWG; and (2) the hydrograph for Water-Year 2007. Toward the first point, the GCT is concerned that the Secretary's Office may be unduly influencing the AMWG process, particularly in the context of recommending a

schedule to design an experimental flow regime that was intended to be initiated in Water-Year 2007. The GCT is concerned because several meetings of the Technical Work Group, as well as the AMWG have been cancelled or rescheduled, and thus not permitting the time for careful and deliberative decision-making related to developing a proposed experimental flow regime.

With respect to the WY-2007 hydrograph, the GCT urges the Assistant Secretary to implement the recommended experimental flows in WY-2007, i.e., some form of “seasonally adjusted steady flows” (SASF). This is in response to nearly ten years of data that indicates that the “modified low-fluctuating flow” alternative identified as the preferred alternative in the original Glen Canyon Dam EIS has not been effective. The GCT also urges the Secretary’s Office to maintain the current non-native predator control programs, as these seem to have positively benefited the endangered humpback chub population, particularly those near the confluence of the Little Colorado River and the mainstem. The GCT maintains, in its letter, that performing the experimental flows and maintaining the non-native controls can provide valuable information that may influence the decision-making associated with the potential construction and utilization of a temperature control structure on Glen Canyon Dam to warm downstream releases.

Mr. Zimmerman stated that a conference call among the AMWG members has been scheduled for September 6th to discuss the following issues: (1) the Adaptive Management Program annual work plan and budget for the upcoming fiscal year; and (2) the proposed Water-Year 2007 release hydrograph scenarios from Glen Canyon Dam.

WATER QUALITY

Regional Water Quality Board Intention to Adopt a Negative Declaration for Renewal of Waste Discharge Requirements for the PG&E Topock Gas Compressor Station


Mr. Zimmerman then asked Mr. Amir-Teymoori, of the Board’s staff, to provide an update to the Board members regarding the hexavalent chromium issue at PG&E’s Topock Gas Compressor station. Mr. Amir-Teymoori briefed the Board that on July 25th, the California Regional Water Quality Control Board, Colorado River Basin Region (RWQCB) issued a notice of intent to issue a negative declaration, pursuant to CEQA, associated with renewing the waste discharge requirements for the injection of treated groundwater at the PG&E Topock Gas Compressor Station. Mr. Amir-Teymoori reminded the Board members that PG&E is currently in the process of remediating the hexavalent chromium contamination of groundwater in the area surrounding the Topock Gas Compressor Station. Currently, PG&E pumps the contaminated groundwater, strips out the hexavalent chromium contaminants, and then injects the treated groundwater back into the aquifer.

According to Mr. Amir-Teymoori, the proposed notice of issuance of a negative declaration simply renews the existing waste discharge requirements established by the RWQCB for the project. Mr. Amir-Teymoori pointed out that according to the RWQCB notice, no additional facilities would be constructed or expanded, and no change to the existing groundwater treatment facility operations would occur as a result of renewal of the waste discharge requirements. The comment period associated with the notice expires on August 31st. A copy of the notice and background information has been included in the Board folder.

Next Board Meeting

Chairman Fisher announced that the next meeting of the Colorado River Board will be held on Wednesday, October 11, 2006, 10:00 a.m., at the Ontario Airport Marriott Hotel in Ontario, California.

There being no further items to be brought before the Board, Chairman Fisher asked for a motion to adjourn the meeting. Upon the motion of Mr. Kuiper, seconded by Mr. Wright, and unanimously carried, the meeting was adjourned 3:13 p.m. on August 29, 2006.


Gerald R. Zimmerman
Executive Director