

**EXECUTIVE DIRECTOR'S MONTHLY REPORT
TO THE
COLORADO RIVER BOARD OF CALIFORNIA**

July 10, 2007

ADMINISTRATION

Approval of Board Meeting Minutes – June 13, 2007

Included in the Board folder is a copy of the June 13th Board meeting minutes. Based upon Board member's review and comment, I am asking for approval and adoption of these meeting minutes.

PROTECTION OF EXISTING RIGHTS

Colorado River Water Report

As of July 1, 2007, storage in the major Upper Basin reservoirs increased by 359,400 acre-feet and storage in the Lower Basin reservoirs decreased by 274,300 acre-feet during June 2007. Total System active storage as of July 5th was 33.686 million acre-feet (maf), or 56 percent of capacity, which is 1.244 maf less than one year ago (Upper Basin reservoirs increased by 0.181 maf and Lower Basin reservoirs decreased 1.425 maf).

June releases from Hoover, Davis, and Parker Dams averaged 16,100, 16,220, and 12,120 cubic feet per second (cfs), respectively. Planned releases from those three dams for the month of July 2007, are 15,100, 14,700, and 12,200 cfs, respectively. The July releases represent those needed to meet downstream water requirements including those caused by reduced operation of Senator Wash Reservoir.

As of July 5th, taking into account both measured and unmeasured return flows, the Lower Division States' consumptive use of Colorado River water for calendar year 2007, as forecasted by Reclamation, totals 7.447 maf and is described as follows: Arizona, 2.777 maf; California, 4.356 maf; and Nevada, 0.314 maf. The Central Arizona Project (CAP) will divert 1.535 maf, of which 0.249 maf are planned to be delivered to the Arizona Water Bank. The Metropolitan Water District of Southern California (MWD) will use about 0.642 maf, which is 9,000 acre-feet more than its 2006 use of mainstream water.

The preliminary end-of-year estimate by the Board staff for 2007 California agricultural consumptive use of Colorado River water under the first three priorities and the sixth priority of the 1931 *California Seven Party Agreement* is 3.775 maf. This estimate is based on the collective use, through June 2007, by the Palo Verde Irrigation District, the Yuma Project-Reservation Division (YPRD), the Imperial Irrigation District, and the Coachella Valley Water

District. Figure 1, found at the end of this report, depicts the historic projected end-of-year agricultural use for the year.

Colorado River Operations

Resignation of Assistant Secretary of the Interior for Water and Science, Mr. Mark Limbaugh

On June 29th, I received an e-mail from Assistant Secretary of the Interior for Water and Science, Mark Limbaugh, announcing his resignation. Assistant Secretary Limbaugh indicated that he was returning to the private sector, effective Friday, July 13, 2007. Assistant Secretary Limbaugh also indicated that he was very satisfied that the work the Department had accomplished in conjunction with the efforts of the Basin states had resulted in positive impacts related to management and administration of the Colorado River system. I have included a copy of Assistant Secretary Limbaugh's e-mail in the Board folder.

Board Testimony to the Senate Subcommittee on Water and Power Regarding S. 1171 (Northwestern New Mexico Rural Water Project Act)

As has been discussed at previous Board meetings, the Northwestern New Mexico Rural Water Projects Act (i.e., S. 1171 and H.R. 1970) legislation is moving forward in the Congress. The U.S. Senate Subcommittee on Water and Power was scheduled to hold a hearing on S. 1171. Toward this end, the Board authorized me to submit written testimony to the subcommittee with California's comments and concerns regarding the legislation. Generally, the Board's written testimony supports the proposed federal legislation, requests some clarification of various provisions, and maintains that the legislation must be consistent with the Law of the River. I have included a copy of the Board's testimony in the Board folder.

Basin States Discussions

The Basin states representatives met on June 25th in Denver, Colorado. At the meeting, the discussions generally focused on the following:

- Reclamation's preferred alternative to be included in the final environmental impact statement on Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lakes Powell and Mead;
- The consultants report on "Planning for Long-Term Augmentation of the Water Supply of the Colorado River System;"
- The Water Delivery Agreement among the Lower Basin states and the Secretary of the Interior;
- The letters from representatives of the Basin states regarding CAWCD's ability to divert water above 2,500 cfs; and

- Issues regarding the 1944 Mexican Water Treaty and working with Mexico on Colorado River operations and management.

The Basin States Technical Committee met on June 20th to further develop the proposed Water Delivery Agreement and the concepts to be contained in it. The Technical Committee is planning to meet again on July 12th and 13th in San Diego to further discuss the contents of the Water Delivery Agreement and to reach agreement on the exhibits to the Forbearance Agreement. The Water Delivery Agreement, which is also a component of the Basin states proposal, will need to be developed and finalized by the Basin states for consideration by the Department of the Interior prior to the release of the final environmental impact statement in September 2007.

Reclamation Releases Proposed Preferred Alternative for Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations of Lakes Powell and Mead

On June 18, 2007, Reclamation issued an announcement that it had developed a preferred alternative for the draft Environmental Impact Statement (DEIS) associated with Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations of Lakes Powell and Mead. According to Reclamation, the proposed preferred alternative incorporates the key elements of the Basin States' Alternative. Additionally, the preferred alternative creates flexibility for potential storage of additional conserved Colorado River water or non-Colorado River water in Lake Mead. As identified in Reclamation's press release, the key elements of the preferred alternative include the following:

- Shortages – that is reduced deliveries to U.S. water users in the Lower Basin – would be tied to Lake Mead's elevation. If Lake Mead's elevation drops, reductions in water deliveries to Lower Basin users would increase, thereby conserving water in the reservoir;
- The preferred alternative would adopt detailed guidelines to improve coordinated operations of Lakes Powell and Mead through the full range of reservoir levels;
- Credits for Colorado River or non-Colorado River water that has been conserved by users in the Lower Basin (i.e., Intentionally Created Surplus) would be made available for release from Lake Mead at a later date. The total amount of credits would be 2.1 million acre-feet, but this amount could be increased up to 4.2 million acre-feet in future years; and
- Interim Surplus Guidelines – adopted in 2001 – would be modified and extended to 2026. The revised surplus guidelines would address the operation of Lake Mead at relatively full reservoir conditions, and would specify when surplus water supplies would be made available to Lower Basin water users.

Reclamation indicated that the preferred alternative will be fully analyzed and evaluated and the potential environmental impacts will be addressed in the final EIS that is anticipated to be released in September 2007. A copy of Reclamation's press release, the preferred alternative,

and a matrix of alternatives is included in the Board folder. Additionally, a copy of the Reclamation's proposed preferred alternative can be accessed via Reclamation's Lower Colorado Regional Office website at <http://www.usbr.gov/lc/region/programs/strategies/documents.html>.

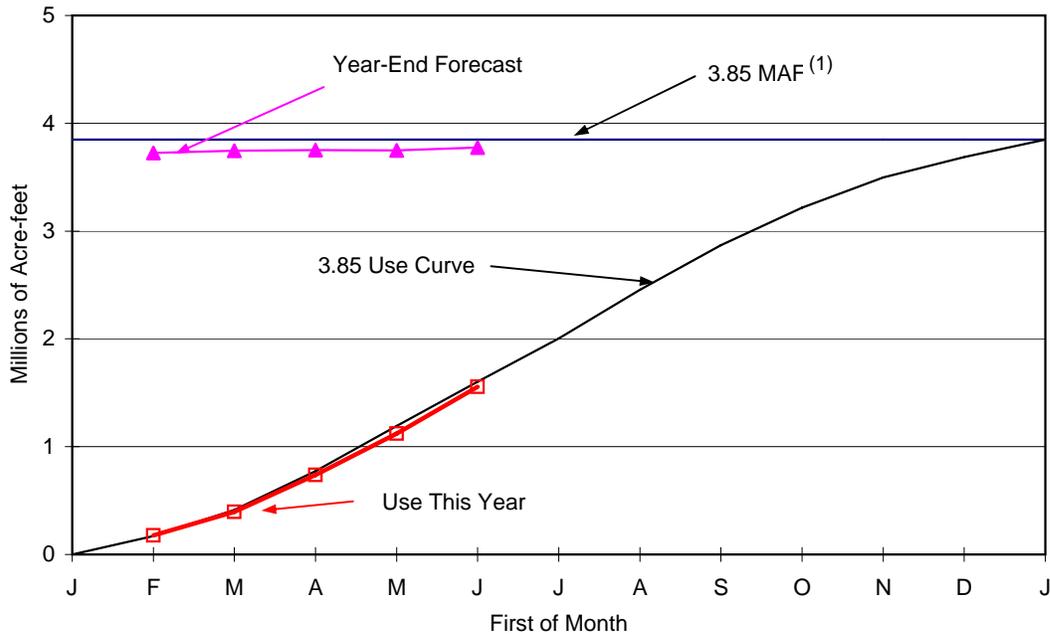
Lower Colorado River Multi-Species Conservation Program Act (H.R. 2515)

On July 9th, I was informed that a hearing before the House Subcommittee on Water and Power of the House Natural Resources Committee will be held on July 24th to consider H.R. 2515 (Lower Colorado River Multi-Species Conservation Program Act). The proposed federal legislation has been discussed at previous Board meetings, and has not been modified from the earlier iteration. At this juncture, I do not have any information regarding potential witnesses that may be asked by the subcommittee to testify, but it is anticipated that representatives from each of the three Lower Basin states and the Administration will be asked to testify. I have included a copy of the most recent version of the proposed legislation in the hand-out materials. I anticipate the Board will submit written testimony in support of the legislation.

/s/

Gerald R. Zimmerman
Executive Director

FIGURE 1
JULY 1 FORECAST FOR 2007 YEAR-END COLORADO RIVER WATER USE
BY THE CALIFORNIA AGRICULTURAL AGENCIES



Forecast of Colorado River Water Use by the California Agricultural Agencies (Millions of Acre-feet)			
Month	Use as of First of Month	Forecast of Year End Use	Forecast of Unused Water (1)
Jan	0.000	-----	-----
Feb	0.178	3.726	-0.020
Mar	0.396	3.746	-0.040
Apr	0.738	3.751	-0.045
May	1.121	3.750	-0.044
Jun	1.556	3.775	-0.069
Jul			
Aug			
Sep			
Oct			
Nov			
Dec			
Jan			

(1) The forecast of unused water is based on the availability of 3.657 MAF under the first three priorities of the water delivery contracts. This accounts for the: 81,940 af of conserved water available to MWD under the 1988 IID-MWD Conserv. agreement and the 1989 IID-MWD-CVWD-PVID Agreement as amended; 60,000 af of conserved water available to SDCWA under the IID-SDCWA Transfer agreement as amended; 14,500 af of water IID and CVWD are forbearing to permit the Secretary of the Interior to satisfy a portion of Indian and Miscellaneous present perfected rights use; 35,450 af of water IID is forbearing to pay back Colorado River Water Delivery Agreement Exhibit C overruns; 1,000 af of water IID is conserving to create Intentionally Created Surplus in Lake Mead. As USBR is charging disputed uses by Yuma Island pumpers to Priority 2, the amount of unused water has been reduced by those uses --0.008 maf. The CRB does not concur with USBR's viewpoint on this matter.