

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

March 13, 2007

ADMINISTRATION

Approval of Board Meeting Minutes – February 14, 2007

Included in the Board folder is a copy of the February 14, 2007, Board meeting minutes. Based upon Board member's review and comment, I am asking for approval and adoption of these meeting minutes.

Senate and Assembly Budget Hearings

Hearings have been held in both the Senate and the Assembly on the Colorado River Board's Fiscal Year 2007-2008 Budget. The Assembly Budget Subcommittee No. 3 on Natural Resources and Environmental Protection held its hearing on March 7th and the Senate Budget Subcommittee No. 2 on Resources, Environmental Protection and Energy held its hearing on March 12th. In both the Assembly and the Senate, the Colorado River Board's Fiscal Year 2007-2008 proposed budget was passed out of the respective Subcommittee's without any issues being raised. The Board's proposed budget Fiscal Year 2007-2008 is for \$1,519,000, all of which is being funded through reimbursements from the agencies. No monies are being received from the State's General Fund.

PROTECTION OF EXISTING RIGHTS

Colorado River Water Report

As of March 1, 2007, storage in the major Upper Basin reservoirs decreased by 201,900 acre-feet and storage in the Lower Basin reservoirs decreased by 83,200 acre-feet during February 2007. Total System active storage as of March 7th was 33.336 million acre-feet (maf), or 56 percent of capacity, which is 0.487 maf less than one year ago (Upper Basin reservoirs increased by 772,700 acre-feet and Lower Basin reservoirs decreased 1.260 maf).

February releases from Hoover, Davis, and Parker Dams averaged 11,650, 11,670, and 8,480 cubic feet per second (cfs), respectively. Planned releases from those three dams for the month of March 2007 are 15,900, 14,300, and 11,300 cfs, respectively. The March releases represent those needed to meet downstream water requirements including those caused by reduced operation of Senator Wash Reservoir.

As of March 8th, 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 7.523 maf and is described as follows: Arizona, 2.810 maf; California, 4.411 maf; and Nevada, 0.302 maf. The Central Arizona Project (CAP) will divert 1.569 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 0.643 maf, which is 10,000 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 3.726 maf. This estimate is based on the collective use, through January 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

Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead – Draft Environmental Impact Statement

With a notice published in the *Federal Register* on February 28th, Reclamation released the draft environmental impact statement (DEIS) related to Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lakes Powell and Mead. Copies of the DEIS are available online through Reclamation's website at <http://www.usbr.gov/lc/region/programs/strategies.html>. Reclamation has scheduled three public hearings in conjunction with the release of the DEIS. The hearings will be held April 3-5, 2007, in Henderson, Nevada; Phoenix, Arizona; and Salt Lake City, Utah, respectively.

As you are aware the DEIS contains four potential "action alternatives" and the No Action Alternative, but does not identify a "Preferred Alternative." The proposed action alternatives reflect input received from Reclamation staff, the cooperating agencies, various stakeholders, and other interested parties. The action alternatives include: (1) Basin States Alternative; (2) Conservation Before Shortage; (3) Water Supply Alternative; and (4) Reservoir Storage Alternative. The Basin States Alternative reflects a consensus package prepared by the Basin States and submitted to the Secretary of the Department of the Interior in February 2006. The Conservation Before Shortage Alternative reflects a proposal prepared by a consortium of environmental organizations also submitted to the Secretary of the Interior in February 2006. The Water Supply Alternative was developed by Reclamation staff in both the Upper and Lower Colorado Regions. Finally, the Reservoir Storage Alternative reflects the proposals put forth by several of the federal Cooperating Agencies, including the U.S. National Park Service (NPS), U.S. Fish and Wildlife Service (USFWS), and the Western Area Power Administration.

Comments on the DEIS are due in Reclamation's Lower Colorado Regional Office by close-of-business on April 30, 2007. Copies of Reclamation's press release announcing the

release of the DEIS and the *Federal Register* notice regarding the availability of the DEIS are included in the Board folder.

National Research Council Report, “Colorado River Basin Water Management: Evaluating and Adjusting to Hydroclimatic Variability”

On February 21st, the National Research Council (NRC) released a draft report entitled, “Colorado River Basin Water Management: Evaluating and Adjusting to Hydroclimatic Variability.” The draft report describes the current state of knowledge related to tree-ring reconstructions and prehistoric climate patterns in the Colorado River Basin, and then compares these reconstructed records to the gage record covering the past 100 years. The report also looked at the population growth in the Basin and the steadily increasing water demands in the context of past, present, and future climate trends, particularly those associated with global warming and climate change. The draft NRC report recommends that there be more coordination and cooperation among water agencies and the scientific community in the Basin. A copy of a press release announcing the release of the draft report has been included in the Board folder. A copy of the draft NRC report can be obtained online at <http://www.nap.edu>.

Basin States Discussions

Basin States Agreement Associated with the Seven Basin States’ Proposal Regarding Colorado River Interim Operations

Included in the Board folder is a copy of the latest Basin States’ agreement associated with the seven Basin states’ proposal regarding shortage guidelines and coordinated reservoir operations for Lakes Powell and Mead. The purpose of this agreement is to: improve cooperation and communication among the Basin states; provide additional security and certainty in the water supply of the Colorado River System for the benefit of the people served by water from the Colorado River System; and avoid circumstances which could otherwise form the basis for claims or controversies over interpretation or implementation of the Colorado River Compact and other applicable provisions of the Law of the River. It is intended that this agreement would be finalized and executed and submitted to the Secretary of the Interior along with the Basin states’ comments on the DEIS for shortage guidelines and coordinated reservoir operations. The term of the proposed agreement is that it would become effective as of the date of the first two signatories, and be in effect as long as the Record of Decision (ROD) and the Interim Shortage Guidelines (ISG) are in effect (i.e., December 31, 2025), or upon termination of the ROD or ISG, whichever is earlier. The Board has discussed this agreement at previous Board meetings; and at the March Board meeting, it will consider providing the Board’s Chairman with authorization to execute this agreement. However, it is expected that actual execution of the agreement would not occur until after the April Board meeting.

Basin States Meetings

The Basin states’ technical committee is meeting on March 15-16, 2007, in Las Vegas, Nevada, at the offices of the Southern Nevada Water Authority (SNWA) and plan to accomplish the following: (1) continue discussions related to the various agreements associated with the

Basin States' Proposal and the DEIS ROD; (2) continue discussions regarding the most recent version of the Basin States' Proposal, prepared by the Arizona Department of Water Resources (ADWR); and (3) begin a comprehensive review of the DEIS and preparation of a consensus-based package of Basin states comments.

On March 23rd the Basin states principals are scheduled to meet at the SNWA offices to continue discussions on Reclamation's DEIS related to Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lakes Powell and Mead and attempt to reach consensus-based agreement on the Basin states preferred alternative to be considered in Reclamation's final Environmental Impact Statement (EIS) and the Secretary's ROD. Also, the Basin states representatives will continue discussions regarding the other agreements that will be a part of the entire package that will be submitted to the Secretary of the Interior for consideration in the development of the Final EIS and the associated ROD.

The goal of the Principals meeting on March 23rd will be to have consensus among the Basin states on a package of material that will be submitted to the Secretary of the Interior prior to the April 30, 2007, comment deadline on the DEIS. The actual package, itself, will be finalized between March 23rd and April 30th.

Colorado River Environmental Activities

Status of the Glen Canyon Dam Adaptive Management Work Group

On February 28, 2007, two environmental organizations, Living Rivers and the Center for Biological Diversity, submitted a letter to the Secretary of the Interior regarding scoping comments related to Reclamation's preparation of the Long-Term Experimental Plan (LTEP) Draft EIS. The two conservation organizations are concerned that the LTEP DEIS "does not sufficiently focus on the fundamental objective of recovering downstream resources." The conservation organizations are requesting that Reclamation restructure the LTEP DEIS to reflect the following concerns: (1) accurately represent the baseline issues; (2) accurately assess the failed history of the existing adaptive management program, including faulty flow regimes, not establishing a second population of humpback chub, failure to implement a selective withdrawal structure on the dam, lack of a Little Colorado River management plan, and lack of progress on razorback sucker management plan; (3) failure of the adaptive management program administration and science; (4) revision of the proposed action; and (5) reevaluate the issues to be addressed in the LTEP DEIS.

Of note, the letter recommends removing Reclamation from any role related to Glen Canyon Dam operations, and installing NPS and USFWS to be the "primary voices" in directing Glen Canyon Dam operations pursuant to the Grand Canyon Protection Act. In the context of native fish recovery efforts, the letter recommends that the Secretary cease supporting the competing objectives of hydropower generation and maintenance of the non-native trout fishery. The conservation organizations maintain that there is a lack of scientific rigor related to adaptive management program decision-making, and there should be an overall independent review of the adaptive management program process. The letter recommends that the LTEP DEIS needs to address a clear focus on native fish recovery efforts, providing for flows that mimic the natural

hydrograph, implementation of the selective withdrawal structure, the removal of the non-native fish community, consider climate variability and change, and decommissioning of Glen Canyon Dam. A copy of this lengthy letter has been included in the Board folder.

WATER QUALITY

Colorado River Basin Salinity Control Program

Board staff and I are in the process of preparing written testimony to several House and Senate subcommittees regarding the federal appropriations for federal agencies participating in the Colorado River Basin Salinity Control Program. As you are aware, annual federal appropriations for salinity control are necessary for Reclamation, U.S. Bureau of Land Management, and the U.S. Department of Agriculture. I have included in the handout materials copies of two of the completed letters of support, as well as a list of House and Senate subcommittees involved in the appropriations process and the instructions and the deadlines for submitting testimony. I encourage each of the agencies to submit testimony in support of the basinwide Salinity Control Program and the funding levels supported by the Colorado River Basin Salinity Control Forum. The requested funding levels for the federal agencies in Fiscal Year 2008 are: Reclamation -- \$17,500,000; Bureau of Land Management -- \$5,900,000; and U.S. Department of Agriculture -- 2.5 percent of the nationwide EQIP allotment, but not less than \$20,000,000.


Gerald R. Zimmerman
Executive Director