

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

**November 11, 2008**

**ADMINISTRATION**

**Approval of Board Meeting Minutes – September 10<sup>th</sup>**

A copy of the September 10<sup>th</sup> Board meeting minutes has been included in the Board folder for review and comment. I am asking for approval and adoption of these meeting minutes by Board members.

**Proposed 2009 Colorado River Board Meeting Schedule**

Included in the Board folder is a copy of the proposed 2009 Board meeting schedule for your review and consideration. I would like to finalize and approve the 2009 meeting schedule at the December Board meeting.

**AGENCY MANAGERS' MEETING**

The Agency Managers have not met since the last Board meeting. I anticipate that there will be an Agency Managers meeting before the next Board meeting.

**PROTECTION OF EXISTING RIGHTS**

**Colorado River Water Report**

As of November 1, 2008, storage in the major Upper Basin reservoirs decreased by 431,390 acre-feet and storage in the Lower Basin reservoirs increased by 27,500 acre-feet during October 2008. Total System active storage as of November 3<sup>rd</sup> was 33.654 million acre-feet (maf), or 56 percent of capacity, which is 1.814 maf more than one year ago (Upper Basin reservoirs increased by 2.127 maf and Lower Basin reservoirs decreased 0.313 maf).

October releases from Hoover, Davis, and Parker Dams averaged 8,260, 10,280, and 7,370 cubic feet per second (cfs), respectively. Planned releases from those three dams for the month of November 2008, are 10,900, 10,500, and 6,400 cfs, respectively. The November releases represent those needed to meet downstream water requirements including those caused by reduced operation of Senator Wash Reservoir.

As of November 3<sup>rd</sup>, taking into account both measured and unmeasured return flows, the Lower Division states' consumptive use of Colorado River water for calendar year 2008, as

forecasted by Reclamation, totals 7.547 maf and is described as follows: Arizona, 2.775 maf; California, 4.498 maf; and Nevada, 0.273 maf. The Central Arizona Project (CAP) will divert 1.516 maf, of which 0.188 maf are planned to be delivered to the Arizona Water Bank. The Metropolitan Water District of Southern California (MWD) will use about 0.841 maf, which is 128,000 acre-feet more than its 2007 use of mainstream water.

The preliminary end-of-year estimate by the Board staff for 2008 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 3.704 maf. This estimate is based on the collective use, through September 2008, 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

### *2009 Annual Operating Plan Development*

The final consultation meeting of the Colorado River Management Work Group was held on October 24<sup>th</sup> in Las Vegas, Nevada, to provide final comments on the 2009 Annual Operating Plan for the Colorado River System Reservoirs (2009 AOP). During the meeting, only a couple of minor comments were provided to Reclamation. Reclamation will now finalize the recommended 2009 AOP and forward it to Secretary Kempthorne for his approval and then transmittal to the Governors of the Colorado River Basin states.

It is anticipated that the final 2009 AOP will provide for the following:

- Glen Canyon Dam releases – Glen Canyon Dam will be operated in the Upper Balancing Tier with a release of 8.23 maf, unless the April 2009, 24-month study projects water surface elevation of Lake Powell to be above equalization trigger (3,939 feet) by the end of the water year. Then Glen Canyon Dam will be operated to equalize the storage contents in Lakes Powell and Mead by the end of the water year or by the end of the water year Lake Powell will fall to water surface elevation 3919 feet or Lake Mead will rise to 1105 feet, whichever occurs first.
- Hoover Dam releases – Hoover Dam will be operated under an Intentionally Created Surplus (ICS) condition to meet the basic demands along the mainstream in the Lower Basin of 7.5 maf plus allow entities who have created ICS during 2009 or in a previous year to receive the requested ICS water during calendar year 2009.
- Apportioned, but unused water – The Secretary of the Interior will make water apportioned to one Lower Division state, but unused in that state during 2009, available to another Lower Division state.
- Mexico delivery – Mexico will be allowed to schedule the delivery of 1.5 maf of water during calendar year 2009.

*IBWC News Release Regarding Deaths of American & Mexican IBWC Commissioners in a September 15<sup>th</sup> Plane Crash*

As you are all aware, on September 15<sup>th</sup> the two IBWC Commissioners; Mexico's Arturo Herrera, and the U.S. Commissioner, Carlos Marin were killed in a plane crash in the Sierra Madre mountains in northern Mexico, just south of the U.S./Mexican border. I have included a copy of the IBWC's September 17<sup>th</sup> news release in the Board folder.

*Reclamation News Release Regarding Public Meeting Associated with Yuma Desalting Plant Proposed Pilot Project Operations*

As we have discussed at previous Board meetings, the Central Arizona Project, Southern Nevada Water Authority, and The Metropolitan Water District of Southern California are participating in discussions with Reclamation to implement a pilot project to run the Yuma Desalting Plant up to one-third capacity until about 30,000 acre-feet of blended water (YDP product water and Wellton Mohawk Irrigation and Drainage District return flow) has been returned to the Colorado River. The non-federal partners have tentatively agreed to fund the non-federal costs as follows: MWD 60%; SNWA 30%; and CAP 10%. An amount of water equal to a portion of the blended water which is returned to the Colorado River would be credited to the non-federal funding partners as System Efficiency ICS, based upon the December 2007 Interim Guidelines. ICS water would be credited to each partner's ICS account based upon the amount of funding provided.

The non-federal funding partners have tentatively agreed to fund environmental impact monitoring in the Limitrophe and Cienega de Santa Clara during the term of the pilot project. Research will also be conducted to evaluate future operation of YDP. Final implementation of the proposed pilot project will require the following agreements to be executed: (1) Contributed funds agreement between Reclamation and funding partners; (2) Water delivery agreements between Reclamation and each non-federal partner; (3) forbearance exhibit between all parties to the December 2007 Forebearance Agreement; and (4) environmental monitoring funding agreement between all of the non-federal funding partners.

Associated with the proposed pilot project, Reclamation is preparing an environmental assessment (EA) pursuant to the National Environmental Policy Act (NEPA). On October 8<sup>th</sup>, Reclamation conducted a public scoping meeting in Yuma, Arizona, to help it identify issues that should be described and analyzed in the EA. I have included a copy of the news release announcing the scoping meeting in the Board folder.

*MWD Recovery of Interstate Underground Storage Credits in 2009*

A copy of a letter from The Metropolitan Water District of Southern California to the Central Arizona Water Conservation District (CAWCD) announcing its intention to recover a total of 39,105 acre-feet in 2009 from its account with the Arizona Water Banking Authority has been included in the Board folder.

*Reclamation's Proposed Rule-Making Process for Regulating the Use of Lower Colorado River Water Without an Entitlement*

As we have discussed at previous Board meeting, on July 16<sup>th</sup>, Reclamation published a proposed rule in the *Federal Register* (73 FR 137, 40916-40932, July 16, 2008) regarding the regulation of the use of Lower Colorado River water without a valid entitlement. The proposed rule would establish procedures that Reclamation will follow in making determinations of unlawful use of Lower Colorado River water. The proposed rule also includes notice and appeal procedures for those persons or entities whose use of Lower Colorado River water is identified as unlawful. A copy of the proposed rule was included in the September Board meeting materials. Comments on the proposed rule were to be received by Reclamation by September 15, 2008.

Board staff prepared a draft letter containing the Board's preliminary assessment and comments on the proposed rule and rule-making process and provided it at the Board's September meeting. These comments were developed as a result of staff analysis of the proposed rule and the discussions at the Agency Managers' meeting held on August 27<sup>th</sup> and comments received from the agencies. The draft letter was discussed at the Board. The Board directed the staff to further discuss the draft letter with the agency managers. A conference call was held on September 11<sup>th</sup>. Following the conference call, the staff finalized the comment letter and submitted the Board's comments to Reclamation on September 12<sup>th</sup>. A copy of the final letter has been included in the Board folder. Additionally, I have included similar comment letters from MWD, PVID, the City of Needles, Arizona Department of Water Resources, Southern Nevada Water Authority, and the Colorado River Commission of Nevada. Reclamation plans to publish the final rule by the end of this year.

*California State Senate Select Committee on the Colorado River – Field Hearing on Drought Conditions on the Colorado River*

On October 15<sup>th</sup> I provided written and oral testimony at a field hearing held by State Senator Denise Moreno Ducheny in El Centro, California. The field hearing was scheduled to provide an opportunity for the State Senate Select Committee on the Colorado River to better understand current hydrologic and water management issues related to the drought in the Colorado River Basin. Testimony was provided by representatives from Reclamation, DWR, IID, CVWD, MWD, SDCWA, PVID, BID, DFG, Western Growers Association, and two environmental organizations. I have included a copy of the written testimony that I provided to the Senate Select Committee in the Board folder.

Basin States Discussions

*Basin States Discussions*

As has been reported at previous Board meeting, representatives of the Basin states and others have been meeting to develop a proposal that identifies the projects and programs that may have bi-national interest in the United States and Mexico in augmenting the water supplies of the Colorado River. The International Boundary and Water Commission (IBWC) has

established a Core Group and four work groups to further discussions on these potential projects and programs. Also, as part of those discussions representatives of the Basin states are developing the framework for a proposal that can be further discussed in the United States and presented to Mexico.

The Lower Basin states met on September 23<sup>rd</sup> and the seven Basin states met on October 2<sup>nd</sup>, to discuss the bi-national process being led by IBWC, as well as other topics of interest. Based upon discussions at the October 2<sup>nd</sup> Basin states meeting, a small group of Basin states representatives was established to further develop a proposal that could be supported by the Basin states in discussions with Mexico. That small group met on October 22<sup>nd</sup> and on November 5<sup>th</sup> to further discuss and develop a proposal that could be supported by the Basin states. That effort is continuing. When a draft proposal is prepared, it will be shared with the Board for its consideration.

#### *Bureau of Land Management Record of Decision for the Systems Conveyance and Operations Program (SCOP)*

On September 3<sup>rd</sup>, the BLM issued a Record of Decision (ROD) associated with its EA for the alignment and excavation of a portion of the Systems Conveyance and Operations Program (SCOP) project in the Las Vegas region. The SCOP project conveys treated wastewater to its discharge location near the Boulder Islands in Lake Mead. This BLM ROD pertains only to BLM-decision-making and actions under the authority of the BLM. I have included a copy of the BLM ROD in the Board folder.

#### Environmental Programs

##### *Status of the Glen Canyon Dam Lawsuit*

On September 26<sup>th</sup> United States District Court Judge David G. Campbell issued an order. In the order the Court denied Reclamation's motion to dismiss Claims 1, 2, and 3 as moot. Nor will the Court dismiss Claims 1-3 for lack of notice. The Court also determined that it would address Claim 7 before deciding Claims 1-3. The Court entered Summary Judgment on Claim 4 in Reclamation's favor. The Court determined that preparation of the Annual Operating Plan is not an agency action subject to NEPA review. Finally, the Court's order laid out a schedule for briefings and pleadings associated with Claims 1-3 and 6-8. A copy of the Court's order has been included in the Board folder.

##### *Arizona Governor's Letter to Department of the Interior Regarding Uranium Mining near Grand Canyon National Park*

For the Board's information, a letter from Arizona Governor Janet Napolitano to Interior Secretary Kempthorne regarding Interior's withdrawal of federal lands near Grand Canyon National Park that might be eligible for uranium mining has been included in the Board folder. Governor Napolitano also believes that there should be more time for comment and review than the 15-days allocated by the Interior Department.

## **WATER QUALITY**

### *Colorado River Basin Salinity Control Forum and Advisory Council meetings in San Diego, CA*

The Colorado River Basin Salinity Control Forum (Forum), and the Advisory Council (AC) and meetings were held from October 28 to October 30, 2008 in San Diego, CA.

The important issues of the AC meeting are summarized as follows:

**Federal agencies' reports:** At the AC meeting, the federal agencies (USDA, BLM, USGS, Reclamation, and USEPA) provided their report to the AC. The reports included the agencies' efforts related to Colorado River Basin salinity control and the status of their projects.

**Report to Congress:** The amendment to the new Farm Bill created the Basin States Program and affirms Reclamation's authority to manage the Basin States Program. It requires that a report be submitted to Congress on the program and no funding occurs until 30 days after the report has been submitted to the Congress. In other words, the funding for the Basin States Program is dependent on submitting this report to Congress. At its spring special meeting in Montrose, Colorado, the AC formed an Ad hoc committee to work with Reclamation to facilitate the preparation of the report. A draft of the Report has been reviewed and is now being finalized.

**Recommendations to federal agencies:** The AC approved the following recommendations:

- Recommended the same federal funding level for USDA, BLM, and Reclamation as last year for the salinity program,
- Acknowledged USDA's continued commitments to salinity control projects and preparation of its Internal Review,
- Supported the Reclamation's efforts to fund the hydrosalinity studies related to Paradox Project,
- Recommended that Reclamation secure funding for the long-term alternative to Paradox Project,
- Acknowledged Reclamation's Science Team efforts,
- Acknowledged Reclamation's efforts to implement the new Farm Bill and facilitate funding during the transition period,
- Acknowledged the use of the USGS SPARROW (Spatially Referenced Regressions On Watershed) model as a tool for estimating the salinity load and recommended resolving the discrepancy of data collected,
- Recommended that USEPA Region 8 be the contact region for water quality issues and avoid rotation of responsibility among different regions.

The important issues discussed at the Forum meeting are summarized as follows:

**2008 Triennial Review** - Forum adopted the 2008 Review and instructed the Forum's Executive Director to send the Review to the states. Each state will follow its procedures to approve the water quality standards. Following approval by each state, the Review will be submitted to USEPA for final approval.

**Paradox Project** – There are two issues related to the Paradox Project: 1) modification of the wellhead; and 2) the studies for evaluation of the long-term alternative to the existing well. Hydrosalinity studies related to the alternative studies are proposed (it is believed that such a study may facilitate the selection of the alternative to the existing well). The Reclamation has decided to implement the wellhead modification; however, no specific funding is available at this time for the hydrosalinity study. Both the Forum and the AC encouraged Reclamation to find the necessary funding for the hydrosalinity study. Reclamation has indicated that it will look for funding to conduct the hydrosalinity studies as well as planning for the long-term alternative.

**Reclamation's Report to Congress** – As mentioned in the AC section above, a report to congress is required prior to funding the Basin States Program. The Forum has expressed concern with the timely funding of these projects and Reclamation agreed to extend its funding of the projects through March 31, 2009, with anticipation that the Report to Congress will be finalized by February of 2009.

**USDA Review Report** – The Forum raised two concerns regarding the USDA Internal Review: 1) the Natural Resources Conservation Services (NRCS) obligation to implement the salinity projects and 2) the wildlife replacement funding. During the meeting, the NRCS confirmed that it is obligated by statute to implement the salinity projects and that the wording in its report indicates EQIP is the mechanism, at this time, for funding these projects.

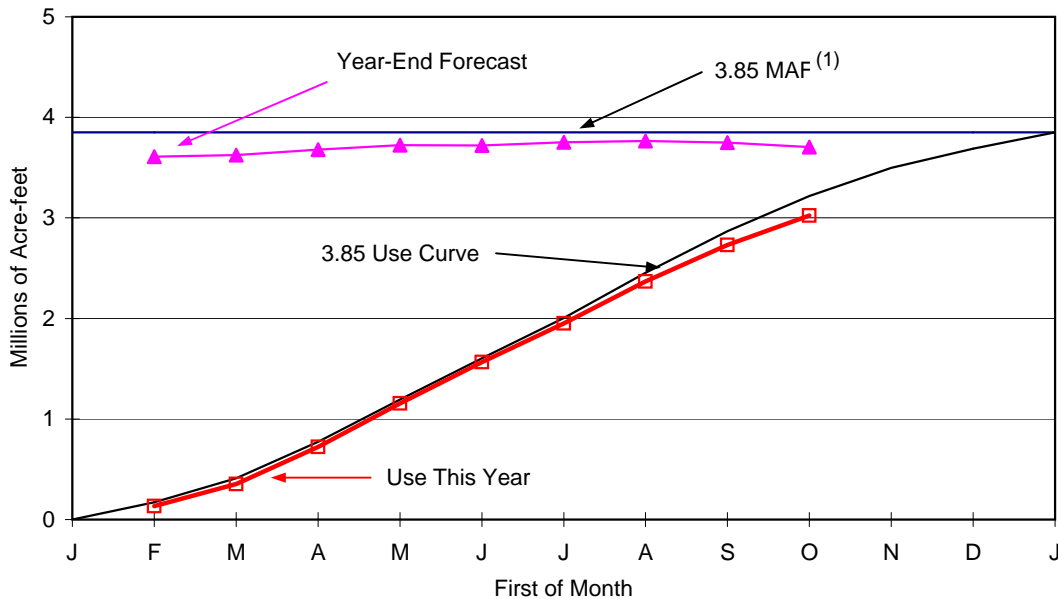
**Additional Work Group assignments** - Forum directed the Work Group to be involved in the following additional issues and report back to the Forum, as appropriate:

- Forum's Bulletins
- Review and approval of the proposed studies of the La Verkin Project by the USGS
- Review and approval of the funding for phase 2 of the SPARROW model study and use of SPARROW Model as a tool to estimate salinity loads

**Next Forum meeting** – The next Forum meeting will be held in Moab, Utah, in May of 2009.

  
Gerald R. Zimmerman  
Executive Director

**FIGURE 1**  
**NOVEMBER 1, 2008 FORECAST 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	0.134	3.610	0.016
Mar	0.352	3.625	0.001
Apr	0.722	3.680	-0.054
May	1.154	3.724	-0.098
Jun	1.566	3.720	-0.094
Jul	1.951	3.753	-0.128
Aug	2.368	3.765	-0.139
Sep	2.732	3.749	-0.123
Oct	3.025	3.704	-0.078
Nov			
Dec			
Jan			

(1) The forecast of unused water is based on the availability of 3.626 MAF under the first three priorities of the water delivery contracts. This accounts for the: 85,000 af of conserved water available to MWD under the 1988 IID-MWD Conserv. agreement and the 1989 IID-MWD-CVWD-PVID Agreement as amended; 50,000 af of conserved water available to SDCWA under the IID-SDCWA Transfer agreement as amended; 27,625 af of conserved water available to SDCWA and MWD as a result of the Coachella Canal Lining Project; 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; 46,119 af of water IID and CVWD are forbearing to payback Colorado River Water Delivery Agreement Exhibit C and 2006 overruns. As USBR is charging disputed uses by Yuma Island pumpers to Priority 2, the amount of unused water has been reduced by those uses --- 6,060 af. The CRB does not concur with USBR's viewpoint on this matter.