

Minutes of Special Meeting
COLORADO RIVER BOARD OF CALIFORNIA
Monday, December 15, 2008

A Special Meeting of the Colorado River Board of California (Board) was held in the Augustus Ballroom I, of Caesars Palace Hotel, at 3570 Las Vegas Boulevard South, Las Vegas, Nevada 89109-8924, Monday, December 15, 2008.

Board Members and Alternate Present

Dana Bart Fisher, Jr., Chairman
John V. Foley
Henry Merle Kuiper
Russell Kittahara
W.D. "Bill" Knutson
John Pierre Menvielle

Jeanine Jones, Designee
Department of Water Resources
Christopher G. Hayes, Designee
Department of Fish and Game

Board Members and Alternate Absent

Thomas M. Erb
Terese Marie Ghio

James B. McDaniel
John W. McFadden

Others Present

Steven B. Abbott
Jack A. Barnett
Mark D. Beuhler
Brian Brady
Celia A. Brewer
Gary A. Bryce
Peter Carlson
John Penn Carter
Tellis Codekas
Guy Daniel
Ron Derma
Craig Elmore
Elston K. Grubaugh
William J. Hasencamp
Andy G. Horne

Jill Johnson
Jeffrey V. Kightlinger
Thomas E. Levy
Mark Limbaugh
Brad Luckey
Carlos Madrid
Jan P. Matusak
Stella A. Mendoza
Roger K. Patterson
Glen Peterson
McClain Peterson
Larry Purcell
Steven B. Robbins
Danny Robinson
Anthony Sanchez

Javier Saunders
Jack Seiler
Tina Shields
Peter S. Silva
Ed W. Smith
J. "Jack" Terrazas
Rob Thomson
Esther Valle
Charles van Dyke
Bill D. Wright
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 3:12 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. Hearing none, Chairman Fisher moved to the next agenda item.

ADMINISTRATION

Approval of Minutes

Chairman Fisher requested the approval of the November 14th meeting minutes. Mr. Menvielle moved that the minutes be approved. Mr. Knutson, seconded the motion. Unanimously carried, the Board approved the November 12th meeting minutes.

2009 Board Meeting Schedule

Mr. Zimmerman requested that the meeting schedule, included in the Board folder, for the next calendar year be approved by the Board. On the motion of Mr. Knutson, seconded by Mr. Foley, and unanimously carried, the Board approved the meeting schedule for 2009.

AGENCY MANAGERS' MEETING

Mr. Zimmerman reported that the agency managers have not met since the November 12th Board meeting. An agency managers meeting may be held before the January Board meeting if the need arises.

PROTECTION OF EXISTING RIGHTS

Colorado River Water Report

Mr. Zimmerman reported that as of December 8th, the storage in Lake Powell was 13.877 million acre-feet (maf), or 57 percent of capacity. The water surface elevation was 3,621.1 feet. The storage in Lake Mead was 12.204 maf, or 47 percent of capacity, and water surface elevation was 1,107.8 feet. Total System storage was about 33.401 maf, or 56 percent of capacity. Last year at this time, there was 31.707 maf in storage, or 53 percent of capacity. Lake Powell is up about 2.3 maf and Lake Mead is down about 0.4 maf from this time last year.

Mr. Zimmerman reported that precipitation from October 1st to December 8th is about 73 percent of normal, and snowpack is about 61 percent. The precipitation in the Upper Colorado River was 87 percent of normal whereas the rest of the Upper Basin was 50 percent or below, the Muddy, Fremont, Escalante and Colorado Plateau were 42 percent of normal. The observed April through July runoff into Lake Powell for Water Year 2008 was about 8.906 maf, or 112 percent of normal. The observed 2008 water year unregulated inflow into Lake Powell was about 12.356 maf, or about 102 percent of normal.

Mr. Zimmerman reported that Reclamation's projected consumptive use (CU) for the State of Nevada to be under its basic entitlement of 300,000 acre-feet (i.e. 271,000 AF), and Arizona CU of Colorado River water will also be under its 2.8 maf apportionment (i.e. 2.762 maf), and California the CU is projected to be slightly over its 4.4 maf apportionment (i.e. 4.535 maf). The CU in the Lower Basin is expected to be about 7.568 maf. Some of the overage is the recovery of Intentionally Created Surplus (ICS) from previous years, so the actual CU is expected to be fairly close to 7.5 maf.

State and Local Water Reports

Ms. Jones, of the California Department of Water Resources (CDWR), reported that as of December 14th, the precipitation in the northern Sierras was 70 percent of average and in the southern Sierras it was 68 percent of average. It is too early in the season to know how wet the water year will be. However, the initial forecast based on current reservoir storage, a 50 percent exceedence level is considered critical. The State Water Project (SWP) storage is down, particularly in Lake Oroville (28 percent of capacity). Total storage in the SWP was 34 percent of capacity. Current SWP projected deliveries is 15 percent of Table A Entitlements. Typically, by the end of February when a snow survey is done, it will give a better forecast of how wet or dry the rest of the year will be. CDWR hosted a workshop where researchers, scientists and academicians discussed how wet the coming water year would be. Their best guess was that northern California would be a normal to a little better than normal and southern California would be slightly dryer.

Mr. Foley, of The Metropolitan Water District of Southern California (MWD), reported that as of December 1, 2008, Diamond Valley Lake held 421,300 acre-feet or 52 percent of capacity, Lake Mathews held 74,600 acre-feet or 41 percent of capacity, and Lake Skinner held 40,300 acre-feet or 92 percent of capacity. Total storage of the three reservoirs was 536,200 acre-feet, or 52 percent of capacity. The MWD storage reservoirs haven't been at current levels since January 2001, as Diamond Valley Lake was being filled.

Mr. Zimmerman reported that climate conditions in the Eastern Sierra, as of December 9th, are dry. At selected stations precipitation varies from 42 percent to 164 percent, most stations 50 percent or lower. Snow sensors vary from 0 to 75 percent of normal, most stations reported 34 percent or less for this time of year.

Colorado River Operations

2009 Annual Operating Plan

Mr. Zimmerman reported that the final 2009 Annual Operating Plan (2009 AOP) has not yet been released. The final consultation meeting was held on October 24th. The proposed 2009 AOP includes: the Glen Canyon Dam releases are to 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 the equalization trigger (3,639 feet) by the end of the water year; Hoover Dam is to be operated under the Intentionally Created Surplus (ICS) condition, where releases from Hoover Dam to meet the 7.5 maf demand of the Lower Basin plus ICS releases; Lower Division states are allowed to utilize water apportioned, but not used by, another Lower Division state; and Mexico will be allowed to schedule the delivery of 1.5 maf.

MWD's Response Letter to Reclamation and Southern Nevada Water Authority on the Availability of Unused Nevada Apportionment of Storage by MWD

Mr. Zimmerman reported that included in the Board folder is an October 27th letter, from MWD agreeing to store a total of 45,000 acre-feet of the Southern Nevada Water Authority's (SNWA) Unused Apportionment during Calendar Year 2008.

Reclamation's Ongoing Administrative and Operations Activities

Mr. Zimmerman reported that Reclamation is continuing to work on a number of activities that deal with the operation of the Colorado River within the Lower Basin, these include: a Lower Colorado Region's Policy for Unused Water in the Lower Basin; Yuma Desalting Plant Pilot Operations; and a proposed rule-making process for regulating the use of Lower Colorado River water without an Entitlement.

Policy on Unused Water of the Mainstream of the Lower Colorado River

Mr. Zimmerman reported that the Policy on Unused Water currently being developed by the Lower Colorado Region of Reclamation deals with the unused water that has been apportioned to one state but is not anticipated to be used by that state and can be moved to another Lower Division state pursuant to Article II(B)(6) of the Decree in *Arizona vs. California*. It is anticipated that Reclamation's policy will cover how Reclamation intends to handle apportioned, but unused, water in the Lower Basin, before, during and after the operating year. Reclamations intent is to avoid the case-by-case handling of unused water each year, and allow consistent handling of this issue within the Lower Division states.

Yuma Desalting Plant Proposed Pilot Project

Mr. Zimmerman reported that Reclamation is continuing with the pilot project operation of the Yuma Desalting Plant (YDP) beginning in 2009. Through the International Boundary and Water Commission (IBWC), Reclamation is consulting with Mexico. Reclamation is working with the Arizona Department of Environmental Quality to obtain the necessary State permits to discharge water from the YDP into the Colorado River. Reclamation is completing the environmental compliance as well as the necessary National Environmental Policy Act process. Reclamation is working with non-federal parties who may fund operations of the Yuma Desalting Plant pilot project.

Mr. Zimmerman reported that the YDP pilot project is planed to operate for 365 days at 1/3 capacity. Approximately 38,000 acre-feet of feed water is to be desalted from 2,600 ppm to 160 ppm and return about 30,000 acre-feet of blended water to the Colorado River. The estimated cost for plant preparation and operations is \$23 million. The purpose of the pilot project is to obtain additional information needed before a decision can be made on the long-term operation of the YDP regarding the performance and cost of the operation and any corrective actions in the plant's design or equipment.

Mr. Zimmerman reported that potential non-federal funding parties include the Central Arizona Project (CAP), SNWA, and MWD. The non-federal partners have agreed to fund the non-federal costs. MWD would fund 60 percent of the non-federal costs, where SNWA would fund 30 percent and CAP would fund 10 percent. In return for funding the project, the non-federal funding

parties would receive System Efficiency ICS credits in proportion to their funding for water returned to the Colorado River.

Mr. Zimmerman reported that the non-federal parties are discussing funding an environmental impact monitoring study for the Limitrophe and Cienega de Santa Clara during the term of the pilot project. Research will be conducted at Reclamation's Water Quality Improvement Center to evaluate alternative pre-treatment methods and low pressure membranes.

Unauthorized Use of Lower Colorado River Water

Mr. Zimmerman reported that Reclamation published a proposed rule in the *Federal Register* on July 16th regarding the regulation of unauthorized uses of Lower Colorado River water. The proposed rule establishes: a process for identifying unauthorized uses; how those uses could be authorized; and a notice and appeal process for users/entities identified as unauthorized users. Reclamation received comments from the Board as well as a number of other interested entities by the September 15th comment deadline. Because of the diverse range of comments received, Reclamation is considering how to proceed. The proposed regulation is not expected to be implemented this year. One possibility is that, based on the comments that were received, the proposed rule be redrafted and re-released for comments.

New General Manager for Central Arizona Water Conservation District

Mr. Zimmerman reported that on December 4th, the Central Arizona Water Conservation District (CAWCD) selected Mr. David Modeer as its new General Manager. He replaces Mr. David S. "Sid" Wilson who is retiring after 14 years at CAWCD. Mr. Modeer comes to CAWCD after water management positions with the Cities of Tucson and Phoenix.

Mr. Bill Ruth Appointed as the Commissioner of the International Boundary and Water Commission

Mr. Zimmerman reported that President Bush appointed Mr. Bill Ruth as the United States Section Commissioner of the IBWC in November 2008. Mr. Ruth formerly worked for the IBWC for 25 years prior to his retirement in 1998. Mr. Ruth replaces Mr. Carlos Marin, who was killed in a plane crash in September 2008, along with Mexican Commissioner Herrera. Both were instrumental in moving forward the bi-national discussions on projects of mutual benefit to the U.S. and Mexico.

Basin States Discussions

Mr. Zimmerman reported that representatives of the Basin states and others have been meeting to develop a discussion document 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 Basin states met on October 2nd and discussed a draft discussion paper outlining potential projects. Following the October 2nd meeting, a small group was formed to further develop a document that could be supported by the Basin states in discussions with counterparts in Mexico. The small group has been meeting and has prepared a draft document that will be discussed at the Basin states meeting on December 17th. Assuming the Basin states representatives are supportive of the draft document, the intent is to transmit it to the IBWC Commissioner, Bill Ruth, to work with appropriate Mexican authorities to arrange a meeting. At

such a meeting, the dialogue on the potential areas of cooperation between the two countries could be further explored. Copies of the Discussion Document and transmittal letter have been sent to the Board members. Mr. Zimmerman requested Board authorization to sign the transmittal letter, assuming that no substantive changes to either the letter or Discussion Document were made.

Upon the motion of Mr. Menvielle, seconded by Mr. Foley, unanimously carried, the Board authorized the Executive Director sign the transmittal letter for the Discussion Document provided no substantive changes are made to the either the transmittal letter or Discussion Document.

WATER QUALITY

Colorado River Basin Salinity Control Forum

Mr. Jack Barnett, Executive Director of the Colorado River Basin Salinity Control Forum, gave a handout to the audience that summarized the activities and benefits of the Salinity Control Program. Mr. Barnett provided examples from Reclamation simulation runs indicating the amount that the current salinity would have been over the Salinity numeric criteria at Parker Dam if the program had not been implemented. Also, he provided an example of the estimated exceedence of the Salinity numeric criteria set at Parker Dam in 2030 if the program were terminated today. Mr. Barnett also briefed the Board on the Farm Bill that contains legislation that is to continue the funding of the Salinity Control Program.

OTHER BUSINESS

Washington, D.C. Activities

Mr. Pete Carlson reported on activities in Congress regarding legislation relating to the Lower Colorado River. He discussed an Omnibus Bill from Congress this year, that included the authorization of the funding of the Lower Colorado River Multi-Species Conservation Program as well as several of the Native American water rights settlements. The bill was not passed by the Senate this year. As Congress reconvenes, the first week of January, he expects that during the transition of the Executive Branch there will be an adjustment period where Congress will reconsider bills that did not pass the last session of Congress and possibly increase funding for programs and resources agencies that also provide a stimulus for the economy. Mr. Carlson accesses that Reclamation may refocus from a customer service to a public service. In addition, climate change is expected to be woven into environmental programs.

Mr. Carlson discussed the atmosphere of Washington as current Congressional staff move from Congress to downtown or to the private sector, there will be a transition period as Congress finds out what the new rules are going to be with a greater transparency. The town is in a state of flux. He expects there will be a push for a new mandate in response to the climate change. Mr. Carlson mentioned that he'd been working this past year with a new coalition. This coalition includes the American Consulting Engineers Council, the American Society of Civil Engineers, General Contractors, and others. He noted that some of the numbers that are in some of the stimulus packages have evolved from members of this coalition.

New Imperial County Supervisor

Mr. Hank Kuiper, public member of the Board, announced that J."Jack" Terrazas has been selected to be the next county supervisor for the same district that Hank Kuiper used to hold. The Board welcomed J. "Jack" Terrazas.

Next Board Meeting

Chairman Fisher announced that the next meeting of the Colorado River Board will be held on Wednesday, January 14, 2009, 10:00 a.m., at the Ontario Airport DoubleTree Hotel, 222 N. Vineyard Avenue, 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. Knutson, and unanimously carried, the meeting was adjourned 4:06 p.m. on December 15, 2008.



Gerald R. Zimmerman
Executive Director