

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

April 14, 2009

ADMINISTRATION

Approval of Board Meeting Minutes – March 11th

A copy of the March 11th Board meeting minutes has been included in the Board folder for review and comment. I am respectfully asking for approval and adoption of these meeting minutes by Board members.

Agency Managers' Meeting

The Agency Managers held a brief meeting following the Board meeting on March 11th. The purpose of the meeting was to discuss the proposed Yuma Desalting Plant Pilot Project operations and the status of the binational discussions regarding the Basin states Discussion Document. A short meeting of the Agency Managers will be held following the April Board meeting to discuss the Inadvertent Overrun and Payback Procedures being developed by the U.S. Bureau of Reclamation (Reclamation).

Partners in Conservation Award

Each year, the Department of the Interior recognizes conservation achievements that are made possible through partnering with a diverse range of entities, including federal state, local and tribal governments, private for profit and nonprofit institutions, other nongovernmental entities, and individuals. This year, the Department of the Interior has selected the successful development of the Colorado River Interim Guidelines for Lower Basin Shortages and the Coordinated Operations for Lake Powell and Lake Mead (Interim Guidelines) to receive the Partners in Conservation Award. Department of the Interior Secretary Salazar will present the Partners in Conservation Award to each of the organizations that participated in the development of the Interim Guidelines on May 7th in Washington D.C. The Colorado River Board has been selected to receive this award.

PROTECTION OF EXISTING RIGHTS

Colorado River Water Report

As of April 1, 2009, storage in the major Upper Basin reservoirs decreased by 138,500 acre-feet and storage in the Lower Basin reservoirs decreased by 387,300 acre-feet during March 2009. Total System active storage, as of April 5th, was 32.101 million acre-feet (maf), or 54

percent of capacity, which is 1.203 maf more than one year ago (Upper Basin reservoirs increased by 1.936 maf and Lower Basin reservoirs decreased by 0.733 maf).

March releases from Hoover, Davis, and Parker Dams averaged 16,860, 16,820 and 11,970 cubic feet per second (cfs), respectively. Planned releases from those three dams for the month of April 2009, are 19,100, 18,800, and 13,900 cfs, respectively. The April releases represent those needed to meet downstream water requirements including those caused by reduced operation of Senator Wash Reservoir.

As of April 5th, taking into account both measured and unmeasured return flows, the Lower Division states' consumptive use of Colorado River water for Calendar Year 2009, as forecasted by Reclamation, totals 7.524 maf and is described as follows: Arizona, 2.783 maf; California, 4.436 maf; and Nevada, 0.304 maf. The Central Arizona Project (CAP) will divert 1.535 maf, of which 0.134 maf are planned to be delivered to the Arizona Water Bank. The Metropolitan Water District of Southern California (MWD) will use about 0.859 maf, which is 47,000 acre-feet less than its 2008 use of mainstream water.

The preliminary end-of-year estimate by the Board staff for 2009 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 3.509 maf. This estimate is based on the collective use, through February 2009, 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

Presidential Nominations for Commissioner of Reclamation and Assistant Administrator for Water Programs, Environmental Protection Agency

On March 18th, the Department of the Interior announced the President's intent to nominate Mr. Michael L. Connor as Commissioner of Reclamation. Mr. Connor most recently served as Counsel to the U.S. Senate Natural Resources Committee. Prior to his service with the Senate, Mr. Connor was in the Department of the Interior's Office of the Solicitor. A copy of the Department of the Interior press release has been included in the Board folder.

On April 3rd, President Obama announced his intention to nominate Mr. Peter S. Silva as the Assistant Administrator for Water Programs in the Environmental Protection Agency. As you are all aware, Mr. Silva has been a senior policy advisor for The Metropolitan Water District of Southern California. Prior to his service with MWD, Mr. Silva was on the State Water Resources Control Board; and before that he served on the Board of the Border Environmental Cooperation Commission during the Clinton Administration. A copy of the White House press release has been included in the Board folder.

U.S. Army Corps of Engineers Preparation of an Environmental Impact Statement Associated with the Flaming Gorge Pipeline Project

Associated with the Flaming Gorge Pipeline Project (Regional Watershed Supply Project), the U.S. Army Corps of Engineers (Corps) announced, via a *Federal Register* notice, on March 20th, its intention to prepare an environmental impact statement. In response to the *Federal Register* notice, Board staff prepared a letter to the Corps requesting to be placed on the “interested parties” mailing list and to receive all future notices and project documentation. Copies of the Board’s letter and related *Federal Register* notice have been included in the Board folder.

MWD Letter to Reclamation Regarding the Selection of the USGS to Investigate the Water Quality of the Lower Colorado Water Supply Project Well-Field

As discussed at the March Board meeting, the proponents of the Lower Colorado Water Supply Project (LCWSP) have identified the need to conduct an assessment of the future quality of the groundwater water being pumped by the well field adjacent to the All-American Canal. In the exchange contract among the City of Needles, Imperial Irrigation District (IID), and Coachella Valley Water District (CVWD), there is a provision that IID and CVWD can reject receipt of the exchange water pumped from the well field and delivered into the All-American Canal if the salinity exceeds 879 parts per million (ppm), plus or minus 30 ppm. Since the LCWSP is the sole water supply source for many of the project’s beneficiaries, there is a need to have sufficient lead time for the project beneficiaries to implement corrective actions at the well field or to find another water supply source if the groundwater quality of the groundwater aquifer is degrading.

In recognition of the needed lead time, as part of the agreement among Reclamation, MWD, and the City of Needles, in which MWD has the ability to purchase water that is made available from the excess capacity of the well field, provisions have been made to conduct an assessment of the future water quality of the water being pumped from the well field taking into consideration existing and anticipated future conditions. The money that is received from MWD for the purchase of LCWSP water is placed into the LCWSP Trust Fund (Trust Fund) for the benefit of the LCWSP beneficiaries and can be used to conduct studies of the groundwater aquifer, and if necessary, to implement corrective actions at the existing well field or to find an alternative water supply for the project beneficiaries.

Discussions began in 2007 regarding the scope of the needed study. After receipt of several proposals and refining the goals and objectives of this initial study, a proposal by the U.S. Geological Survey (USGS) has been selected. The proposed effort is a three-year study that will begin in 2009 with an estimated cost of \$1.1 million. The objectives of the study are to: 1) describe the current knowledge of the groundwater system adjacent to the well field within the United States; 2) determine the data and information needs; 3) establish a hydrologic monitoring network; and 4) develop an initial characterization of the groundwater system. Through this initial effort, the groundwork will be laid for developing a model that can be utilized to predict the future water quality of the groundwater aquifer utilized by the LCWSP.

Before any money can be expended from the Trust Fund, the approval of both Reclamation and MWD is required. On March 5th, a letter was received from Reclamation approving the study to be conducted by the USGS. On March 24th MWD's approval letter, accepting the USGS' study proposal, was received by the City Manager of the City of Needles. A copy of MWD's March 24th letter has been included in the Board folder.

All-American Canal Lining Project Dedication Event Scheduled for April 30th

On April 30th, the All-American Canal Lining Project will officially be dedicated at an event to be held at the project site, alongside the All-American Canal. Included in the Board folder is a copy of the dedication event flyer.

Basin States Discussions

Basin States' Discussion Document Concerning Binational Water Management

As has been reported at previous Board meetings, on March 11, 2008, the Terms of Reference regarding United States-Mexico Joint Cooperative Actions of Colorado River Users was executed by both Sections of the International Boundary and Water Commission (IBWC). The Terms of Reference, among other things: established a process for addressing projects and programs that may have binational interest in pursuing; created a Binational Core Group and four Binational Work Groups, (the Conservation, New Water, System Operations, and Environmental Work Groups); and identified how meetings would be conducted, the objectives for the process, and the organization and management for this effort.

Early in the process Mexico identified a number of projects that it would like to pursue in the binational process and requested that the Colorado River Basin states, similarly, identify their proposed projects. In response to Mexico's request, representatives of the Colorado River Basin states developed a Seven Basin States' Discussion Document Concerning Bi-National Water Management (Discussion Document). That Discussion Document identifies the projects and programs that may have binational interest in the United States and Mexico in augmenting the water supplies of the Colorado River. On December 17, 2008, representatives of the Basin states approved transmittal of the Discussion Document to the American Section Commissioner of the International Boundary and Water Commission (IBWC), Mr. Bill Ruth. Copies of the transmittal letter and accompanying Discussion Document were originally included in the January Board folder materials.

Commissioner Ruth shared this Discussion Document with his counterparts in Mexico in January 2009. Following receipt of the Discussion Document, Mexico requested a consultation meeting with federal representatives from IBWC and Reclamation to discuss the Basin states' Discussion Document and to outline a process for further discussing that document and its contents. The consultation meeting among representatives from IBWC, Reclamation, and Mexico was held on February 13th. It is my understanding that during the consultation meeting, Mexico's response to receipt of the Basin states' Discussion Document was that it welcomed receipt of the document, thought that it lacked sufficient detail, and wanted to advance further discussions in the established binational process.

Based upon the February 13th consultation meeting and Mexico's response, the Basin states are now preparing a presentation to be given to representatives from Mexico. That presentation will: 1) more fully describe the Basin states role regarding water management within the United States; 2) more fully explain the concepts contained in the Basin states Discussion Document; and 3) identify how implementation of the programs contained in the Discussion Document could work and could benefit both nations. Representatives of the Basin states will be meeting with representatives from IBWC and Reclamation on April 16th to brief the federal representatives on the proposed Basin states presentation and to receive their input. It is anticipated that the meeting with Mexican representatives will occur in May 2009. Currently, the Basin states are proposing that the May meeting with Mexico be restricted to the presentation by the Basin states, to address initial questions that the Mexican representatives may have, and to request that Mexico provide written questions that would be discussed in a future meeting. The Basin states are proposing that this initial meeting be followed by a workshop to further discuss any questions that Mexico may have and to begin to develop the necessary framework for moving binational projects and programs forward that; 1) provide benefits to both countries, and 2) contain terms and conditions that are acceptable to both countries.

In moving these binational projects and programs toward implementation there are a number of the policy and legal issues that will need to be addressed. Representatives of the Basin states have begun to identify these legal and policy issues and will be meeting to obtain a unified Basin states position regarding each of these issues. It is anticipated that Mexico will also be identifying a number of legal and policy issues that will need to be addressed.

Colorado River Environmental Issues

Lower Colorado River Multi-Species Conservation Program Water Use and Acquisition Agreement for Program Implementation

As a result of the recent passage of the Omnibus Public Land Management Act of 2009 by the Congress and signing into law by the President, Reclamation received authorization for the Lower Colorado River Multi-Species Conservation Program (LCR MSCP). Based upon the authorizations provided in the legislation, Reclamation is proposing moving forward with the finalization of a water use and acquisition agreement between LCR MSCP participants and Reclamation for using and acquiring mainstream water for LCR MSCP implementation purposes. A copy of the final draft agreement that was prepared in February 2007 by representatives of the non-federal and federal Program participants is included in the Board folder. The primary purpose of the water use and acquisition agreement is to ensure that Reclamation can procure and lawfully utilize mainstream Colorado River water in conjunction with approved LCR MSCP habitat restoration and maintenance activities on an annual basis.

WATER QUALITY

Colorado River Basin Salinity Control Program Status

Traditionally, at this time of the year, the Colorado River Basin Salinity Control Forum sends testimony letters to the Congress in support of the funding for the salinity control projects by the federal agencies: Reclamation, U.S. Department of Agriculture, and the Bureau of Land Management. Also, the Basin states and some of the water resource agencies in the Basin states typically provide letters of support. This year, as in previous years, the Board submitted testimony in support of federal funding for the Salinity Control Program. I would like to encourage agencies of the Board to prepare and submit testimony and/or letters in support of this very important program. A copy of the Board's testimony has been included in the Board folder; and instructions for submission of testimony to the six sub-committees of the Appropriations Committees have been included as well.

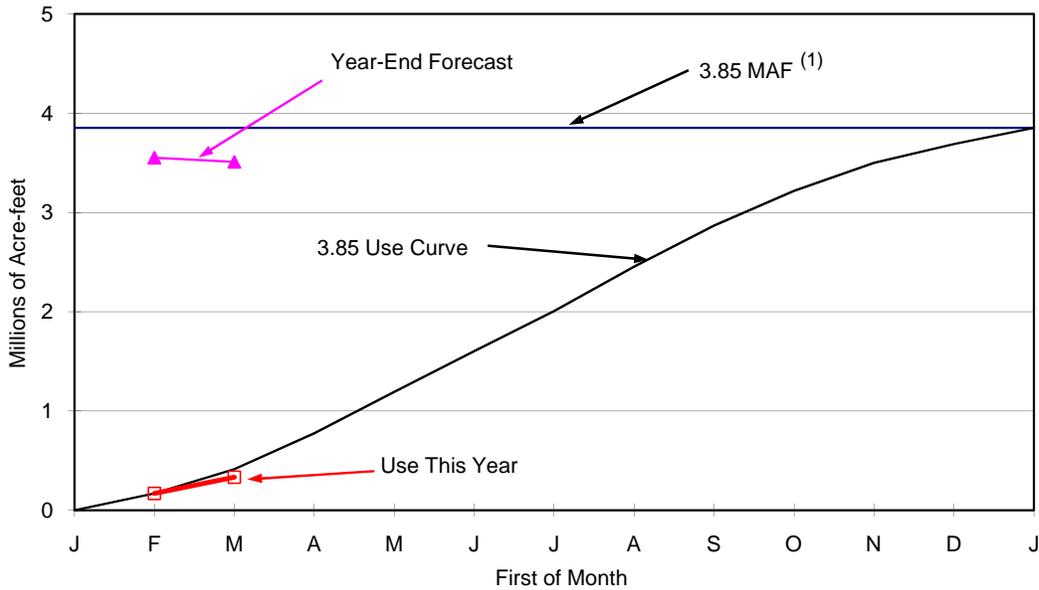
Status of the PG&E Topock Hexavalent Chromium Remediation Project

The Pacific Gas and Electric Company (PG&E) has conducted extensive studies for remediation of the hexavalent chromium contamination at the PG&E Topock Compressor Station. The California Department of Toxic Substances Control, the U.S. Department of the Interior and PG&E are at the point of selecting and recommending the preferred alternative for the remediation. PG&E representatives will provide a brief presentation on the status of the remediation project to the Board at its April 15th meeting. Also, following the Board meeting, PG&E will provide a detailed technical presentation on the remediation alternatives.

/S/

Gerald R. Zimmerman
Executive Director

FIGURE 1
April 1, 2009 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	0.168	3.551	0.042
Mar	0.332	3.509	0.084
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Oct			
Nov			
Dec			
Jan			

(1) The forecast of unused water is based on the availability of 3.600 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 Conservation 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; 26,000 af of conserved water available to SDCWA and MWD as a result of the Coachella Canal Lining Project; 59,670 af of water projected to be available to SDCWA and MWD as a result of the All-American Canal Lining Project; 14,500 af of water IID and MWD are forbearing to permit the Secretary of the Interior to satisfy a portion of Indian and miscellaneous present perfected rights use; and 4,490 af of water IID and CVWD are forbearing to payback Colorado River Water Delivery Agreement Exhibit C and 2007 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 - 6,136 af. The CRB does not concur with USBR's viewpoint on this matter.