

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

August 11, 2009

ADMINISTRATION

Approval of Board Meeting Minutes – July 15th

A copy of the July 15th 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 have not met since the last Board meeting.

PROTECTION OF EXISTING RIGHTS

Colorado River Water Report

As of August 1, 2009, storage in the major Upper Basin reservoirs increased by 119,650 acre-feet and storage in the Lower Basin reservoirs decreased by 115,200 acre-feet during July 2009. Total System active storage as of August 2nd was 35.476 million acre-feet (maf), or 60 percent of capacity, which is 0.524 maf more than one year ago (Upper Basin reservoirs increased by 1.439 maf and Lower Basin reservoirs decreased 0.915 maf).

July releases from Hoover, Davis, and Parker Dams averaged 13,660, 13,580 and 10,650 cubic feet per second (cfs), respectively. Planned releases from those three dams for the month of August 2009, are 12,900, 12,500, and 10,200 cfs, respectively. The August releases represent those needed to meet downstream water requirements including those caused by reduced operation of Senator Wash Reservoir.

As of August 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 7.295 maf and is described as follows: Arizona, 2.700 maf; California, 4.303 maf; and Nevada, 0.292 maf. The Central Arizona Project (CAP) will divert 1.503 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 0.910 maf, which is 4,000 acre-feet more 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 3.437 maf. This estimate is based on the collective use, through June 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 projected end-of-year agricultural use for the year.

As of August 9th, the water level at the Lake Mead was at 1,094.18 feet above the mean sea level, and the storage was 10,977 maf, 42 percent of capacity. In 2000, the Lake Mead was 96 percent of capacity. Lake Mead is continuing dropping its water level and preparing for its lowest level since 1965, which had been forecasted by Reclamation to be at 1,092 feet above sea level.

Colorado River Operations

Colorado River Energy Distributor's Association Letter to U.S. Senator Jon Kyl

The Colorado River Energy Distributor's Association (CREDA) sent a letter on July 15th to Arizona U.S. Senator Jon Kyl regarding language associated with Glen Canyon Dam operations contained within a House committee report on H.R. 3183. The committee report language included a recommendation that Reclamation, in consultation with the National Park Service (NPS), re-evaluate the operating criteria for Glen Canyon Dam. CREDA is concerned that this language could actually limit some of the Secretary's authority in managing the reservoir system of the Colorado River by elevating the role of the NPS. CREDA believes that the NPS, and all stakeholders, have an existing role and voice in developing recommendations for future Glen Canyon Dam operations through the Glen Canyon Dam Adaptive Management Work Group federal advisory committee process. CREDA advocates maintaining Reclamation in the lead role for establishing and reviewing the operating criteria and annual operating plan. A copy of CREDA's letter to Senator Kyl has been included in the Board folder.

Basin States Letters to Interior Secretary Salazar and U.S. Senator Jon Kyl Regarding Glen Canyon Dam Operations

Similar to CREDA's letter, discussed above, the seven Colorado River Basin states sent a letter of concern to Interior Secretary Ken Salazar on July 27th. The Basin states' letter provided extensive and detailed background information associated with the complex relationships between the federal agencies, seven Basin states, and other stakeholders involved in managing the water resources and reservoir system within the Colorado River Basin. The Basin states' letter suggests that there are existing programs, laws, and rules and regulations in place that guide the Secretary's decision-making processes associated with on-going Glen Canyon Dam operations; including the Glen Canyon Dam Adaptive Management Work Group, the Interim Shortage Guidelines, and the Annual Operating Plan. A copy of the Basin states' letter to Secretary Salazar has been included in the Board folder.

The Basin states also sent a letter to U.S. Senator Jon Kyl (R-AZ) regarding the House committee report language associated with H.R. 3183. This letter, like CREDA's, suggests that the AMWG is the appropriate venue for developing recommendations to Secretary Salazar regarding future Glen Canyon Dam operations. Additionally, the Basin states believe that

Reclamation is the federal agency, within Interior, with the authority and responsibility for establishing and reviewing Glen Canyon Dam operating criteria and the development and implementation of the Colorado River System Annual Operating Plan. The Basin states' letter requests that Senator Kyl work to ensure that recommendations contained within the committee report do not become part of the final House and Senate report associated with the Fiscal Year 2010 Energy and Water Development Appropriations legislation. A copy of the Basin states' letter to Senator Kyl has been included in the Board folder.

MWD's Letter to CAWCD Regarding Recovery of Interstate Storage Credits in 2010

On August 4th, MWD notified the Central Arizona Water Conservation District (CAWCD), by letter, of its intention to work with CAWCD in the recovery of 5,700 acre-feet of interstate underground storage credits remaining in MWD's account in 2010. This is the amount determined to be remaining in MWD's account after the removal of 30,000 acre-feet projected to be removed from the account during 2009. A copy of MWD's letter has been included in the Board folder.

Basin States Discussions

Status of U.S./Mexico Discussions on Colorado River Cooperative Actions Process

As discussed at the July Board meeting, a two day workshop was held on August 4st and 5th among the Basin states, Reclamation, the International Boundary and Water Commission (IBWC) and Mexico to further the discussions on the Basin States' Discussion Document Concerning Bi-National Water Management (Discussion Document) and to focus discussions on the legal and policy framework to allow storage of Mexico's water in U.S. reservoirs and to address Colorado River operations under low reservoir conditions. Presentations during the workshop included:

- Mexico presentations on:
 - Storage of Mexican water, Intentionally Created Mexican Allocation (ICMA) in U.S. reservoirs
 - Comments on the Basin states presentation of June 1st on the Basin States' Discussion Document
 - Environmental needs and issues in Mexico
 - Conservation projects in Mexico
 - Joint investment in desalinization projects

- U.S. presentations on:
 - Criteria for Mexico to store ICMA in the U.S.
 - Current operations of the reservoir system in the United States
 - Shortage management strategies used in the United State

During the workshop, Mexico provided specific proposals regarding the creation and use of ICMA, the environmental needs in Mexico and how the water for these needs should be shared, binational participation in conservation projects in Mexico, and joint investment in desalinization projects in Mexico. The United States interests intend to respond to these specific

proposals at the next binational meeting, which is being scheduled to be held in early October in Mexico, probably in Tecate.

During the workshop, both countries seemed to reach agreement that fundamental to future discussion and resulting agreements during this binational process is addressing the following topics: conservation projects in Mexico, joint investment in desalinization, ICMA, environmental needs, and shortage management. Mexico expressed an interest in beginning to negotiate the legal and policy framework that would allow specific projects to move forward at this time, e.g., the Rosaria desalinization project and conservation projects in Irrigation District 14.

To prepare for October Binational meeting and to respond to the specific proposals presented by Mexico, the United States interests will be meeting several times between now and October both as the Technical Group and the Basin states principals. As proposals come out of these meeting they will be brought to the Board for its consideration.

Status of Basin States' Study Proposal Process

As has been reported at previous Board meetings, the Basin states prepared a study proposal to build upon previous efforts to evaluate potential opportunities for improving, developing, and augmenting the water supplies of the Colorado River Basin. The proposal requests Reclamation's participation and cooperation in developing a study evaluating:

- The current and projected water supply;
- The demand throughout the Colorado River Basin and its service areas;
- The water supply/demand imbalances;
- Water augmentation opportunities; and
- The study is expected to cost \$2.0 million and would be cost shared 50/50 between the states and Reclamation.

I also reported at the July Board meeting that the Basin study proposal had been completed and that it had been submitted to the Reclamation-wide review committee on June 26th. This committee is currently reviewing all of the proposals that were submitted and is expected to announce the selected proposals next week. If the Basin study proposal is selected, a detailed plan of study will be developed that identifies the specific tasks to be completed during the process and total costs.



Gerald R. Zimmerman
Executive Director