

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

March 10, 2009

ADMINISTRATION

Approval of Board Meeting Minutes – February 11th

A copy of the February 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

I plan to hold a brief Agency Managers' meeting following the Board meeting on March 11th. The purpose of the meeting will be to discuss the proposed Yuma Desalting Plant Pilot Project operations and the status of the binational discussions regarding the Basin states Discussion Document.

PROTECTION OF EXISTING RIGHTS

Colorado River Water Report

As of March 1, 2009, storage in the major Upper Basin reservoirs decreased by 266,300 acre-feet (af) and storage in the Lower Basin reservoirs decreased by 11,100 acre-feet during February 2009. Total System active storage as of March 9th was 32.607 million acre-feet (maf), or 55 percent of capacity, which is 1.634 maf more than one year ago (Upper Basin reservoirs increased by 2.187 maf and Lower Basin reservoirs decreased 0.553 maf).

February releases from Hoover, Davis, and Parker Dams averaged 12,230, 11,330 and 7,150 cubic feet per second (cfs), respectively. Planned releases from those three dams for the month of March 2009, are 16,600, 9,800, and 11,800 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 10th, 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 7.504 maf and is described as follows: Arizona, 2.773 maf; California, 4.427 maf; and Nevada, 0.304 maf. The Central Arizona Project (CAP) will divert 1.522 maf, of which 0.119 maf are planned to be delivered to the Arizona Water Bank. The Metropolitan Water District of Southern California (MWD) will use about 0.852 maf, which is 54,000 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 3.600 maf. This estimate is based on the collective use, through January 2009, by the Palo Verde Irrigation District, the Yuma Project-Reservation Division, 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

Federal Register Notice Regarding Reclamation's Request to Office of Management and Budget for the Continued Collection of Data and Information Associated with the Lower Colorado River Well Inventory

On February 25th, Reclamation published a notice in the *Federal Register* regarding a request to the federal Office of Management and Budget for the continued collection of well inventory data along the Lower Colorado River. This request regarding the collection of information is made pursuant to the 1995 Paperwork Reduction Act. Reclamation is soliciting comments from interested stakeholders regarding the continuation of this program. It is the Board's contention that this information is necessary in order to make a full and comprehensive accounting for diversions and water uses along the Lower Colorado River in accordance with the Consolidated Decree in *Arizona v. California*. In conclusion, it is my suggestion that the Board send a brief letter to Reclamation encouraging the continuation of the data and information-collection effort. A copy of the *Federal Register* notice has been included in the Board folder.

Lower Colorado Water Supply Project Monitoring Study

Associated with the Lower Colorado Water Supply Project (LCWSP), is 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 conduct 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.

Before any money can be expended from the Trust Fund, 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. It is anticipated that MWD's approval letter, accepting the USGS' study proposal, will be received soon. A copy of Reclamation's March 5th letter is included in the handout materials.

Imperial Irrigation District's Proposal to Rename the Drop-2 Reservoir after the late Mr. Warren H. Brock

As discussed at the last Board meeting, the Board received a letter from Mr. James C. Hanks, President of the Imperial Irrigation District's (IID) Board of Directors, regarding IID's request that Reclamation rename the Drop-2 Reservoir facility to honor the late Mr. Warren H. Brock. The late Mr. Brock was a prominent farmer and resident of the Imperial Valley and was a driving force behind the development of the "Brock Research Experimental Farm," that was subleased from the IID under an agreement that began in 1958. In the letter, and at the Board meeting, IID requested the support of stakeholders involved in the reservoir project for renaming the Drop-2 facility after Mr. Brock. The Board considered IID's request at its February Board meeting voting to support renaming the Drop-2 Reservoir after the late Mr. Warren H. Brock and directing the staff to prepare a letter notifying Reclamation of the Board's action. Toward this end, the letter prepared by the Board staff, as well as a copy of a letter supporting the name-change from the Central Arizona Water Conservation District are included in the Board folder.

MWD Letter to Reclamation and the Three Lower Division States Regarding Southern Nevada Water Authority's Interstate Account

On February 24th, the Board received a copy of a letter from MWD regarding the Southern Nevada Water Authority's (SNWA) Interstate Account. Simply put, the letter states that MWD will, by March 1st, make a final verified accounting for the prior year including: the beginning balance of the SNWA interstate account (i.e., 25,000 af), the amount of water diverted and stored (i.e., 45,000 af), debits withdrawn from the account by SNWA for the purpose of creating Intentionally Created Unused Apportionment (i.e., 0 af), the net balance in the SNWA account (i.e., 45,000 af), and the cumulative amount credited to SNWA's account (i.e., 70,000 af). A copy of the MWD letter has been included in the Board folder.

Basin States Discussions

Basin States' Discussion Document Concerning Binational Water Management

As has been reported at previous Board meetings, representatives of the Colorado River Basin states have 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 has shared this Discussion Document with his counterparts in Mexico in January. Following receipt of the Discussion Document, Mexico requested a consultation meeting with federal representatives from IBWC and Reclamation on the Basin states' Discussion Document. That consultation meeting was held on February 13th. Based upon the February 13th consultation meeting, the Basin states are now preparing a presentation to more fully explain the concepts contained in the Discussion Document that was shared with Mexico. In addition to explaining the concepts contained in the Basin states Discussion Document, the Basin states will be meeting to further identify the policy and legal issues that need to be addressed in the binational discussions and to obtain a unified Basin states position on these policy and legal issues. It is anticipated that the Basin states will be prepared to meet with their counterparts from Mexico in May.

Basin States Letter to Reclamation Regarding Interest in Developing and Implementing a Joint Colorado River Basin Water Supply Study Proposal

As has been reported at previous Board meetings, representatives of the Basin states and others have been investigating projects and programs that may have the potential for augmenting the available water supplies to meet the current and projected water supplies throughout the Colorado River Basin. In late-March 2008, the Basin states submitted a report to the Secretary of the Interior entitled, "*Study of Long-Term Augmentation Options for Water Supply of the Colorado River System.*" To build upon that effort, the Basin states prepared a proposal for submittal to Reclamation Regional Directors Walkoviak and Gray (Upper and Lower Colorado Regions, respectively) that requests Reclamation's participation and cooperation in developing a study evaluating the current and projected water supply and demand throughout the Colorado River Basin and its service areas. The Basin states expect that this study would refine strategies that, if implemented, could provide up to an additional one million acre-feet of new water annually for use within the Colorado River Basin. At the February Board meeting, the Board approved finalizing this letter and transmitting it to Reclamation.

On February 10th The Basin states sent the final letter to Regional Directors Gray and Walkoviak stating that the Basin states would be willing to provide significant resources to assist in the development and completion of the proposed study. These resources include cost-sharing,

as well as the sharing of extensive data, information, and pertinent models that could be included in the proposed study. A copy of the final Basin states' letter is included in the Board folder.

Colorado River Environmental Issues

Letter of the Seven Basin States' Representatives to the Glen Canyon Dam Adaptive Management Program Regarding the Decision-Making Process

Based upon some comments to the media from representatives of Grand Canyon National Park regarding the efficacy of the Glen Canyon Dam Adaptive Management Program (AMP), the seven Basin states' AMP representatives sent a short letter to Reclamation's Upper Colorado Regional Director reaffirming their support for the current direction of the AMP, and the need to continue scientific research, monitoring, and the stakeholder process provided by the Glen Canyon Dam AMP. A copy of the letter to Regional Director Walkoviak has been included in the Board folder.

Status of the Grand Canyon Trust v. United States Lawsuit

As you may recall, the U.S. District Court Judge in the lawsuit, *Grand Canyon Trust v. United States* issued a set of questions to the parties in this litigation in late-September 2008. The main question was associated with the discretionary aspects of Reclamation's operation of Glen Canyon Dam in accordance with existing law. Toward answering this question, the federal brief states that Reclamation reasonably relied upon the 2008 Biological Opinion, and that the U.S. Fish and Wildlife Service (USFWS) considered the best available science in conducting the Section 7 consultation on the 2008-2012 proposed action. The federal defendants allege that the ESA Section Incidental Take Statement insulates Reclamation from any ESA take liability. Furthermore, any challenge by the plaintiffs associated with compliance with the 1995 biological opinion is moot, as it has been fully superseded by the 2008 opinion.

The plaintiffs, Grand Canyon Trust (GCT), continue to allege that Reclamation's ongoing operations are causing jeopardy to the humpback chub through maintaining the "modified low-fluctuating flow" (MLFF) regime. The GCT also cites, in support of its arguments alleging ESA violations, the U.S. Geological Survey's 2005 State of the Colorado River Ecosystem (SCORE) report documenting the "continued decline of environmental resources" below Glen Canyon Dam. Finally, the GCT refers to a court decision in *Natural Resources Defense Council v. Kempthorne* that utilization of "adaptive management" has no quantified objectives or required mitigation and does not obviate the need for ESA compliance.

A long electronic mail was received from the Colorado Office of the Attorney General that summarizes the current status of the lawsuit and all of the various motions and cross-motions made by the parties to the lawsuit. A copy of the email has been included in the handout materials.

WATER QUALITY

Colorado River Basin Salinity Control

Notice of Funding Opportunity Announcement for the Colorado River Basin Salinity Control Program

The Board recently received an announcement from Reclamation regarding a potential funding opportunity for implementation of salinity control measures through the public grants portion of the American Recovery and Reinvestment Act of 2009, signed into Law by President Obama on February 16th. Grant applications could target salinity control activities and measures such as reducing salinity contributions for saline springs, leaking wells, irrigation sources, municipal and industrial sources, erosion of public and private lands, and other sources of salt-loading in the Upper Colorado River Basin. All proposed salinity control projects would be required to replace incidental wildlife habitat losses concurrent with implementation of the salinity control measures. Reclamation expects that the full Funding Opportunity Announcement package will be published at www.grants.gov by March 20th. A copy of the advance notice of Funding Opportunity Announcement has been included in the Board handout materials.



Gerald R. Zimmerman
Executive Director