

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

**November 10, 2009**

**ADMINISTRATION**

Approval of Board Meeting Minutes – September 9<sup>th</sup>

A copy of the September 9<sup>th</sup> 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.

Proposed 2010 Colorado River Board Meeting Schedule

I have included, in the Board folder, a copy of the proposed 2010 Board meeting schedule. The Board members are being asked to review the draft schedule and be ready to act upon it at the December Board meeting in Las Vegas, Nevada.

Agency Managers' Meeting

The Agency Managers will have a meeting following the Board meeting to discuss three agenda items: 1) the draft Inadvertent Overrun and Payback Procedures being developed by Reclamation; 2) use of Lower Colorado Water Supply Project water for solar development; and 3) the schedule for the creation and delivery of Intentionally Created Surplus water that can be used in modeling efforts.

**PROTECTION OF EXISTING RIGHTS**

Colorado River Water Report

As of November 1, 2009, storage in the major Upper Basin reservoirs decreased by 321,900 acre-feet and storage in the Lower Basin reservoirs decreased by 52,100 acre-feet during October 2009. Total System active storage as of November 2<sup>nd</sup> was 33.831 million acre-feet (maf), or 57 percent of capacity, which is 0.175 maf more than one year ago (Upper Basin reservoirs increased by 1.446 maf and Lower Basin reservoirs decreased 1.271 maf).

October releases from Hoover, Davis, and Parker Dams averaged 9,970, 10,130 and 7,250 cubic feet per second (cfs), respectively. Planned releases from those three dams for the month of November 2009 are 9,800, 9,500, and 6,100 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 2<sup>nd</sup>, 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 7.280 maf and is described as follows: Arizona, 2.789 maf; California, 4.221 maf; and Nevada, 0.270 maf. The Central Arizona Project (CAP) will divert 1.613 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 0.941 maf, which is 35,000 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 3.340 maf. This estimate is based on the collective use, through August 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.

The water surface elevation at Lake Mead is continuing drop. As of November 8<sup>th</sup>, the water level at the Lake Mead was at 1,093.24 feet above the mean sea level, and the storage was 10,895 maf, 42 percent of capacity, while the water level at Lake Powell was at 3,632.93 feet above the mean sea level and the storage was 15,184 maf, 62 percent of capacity.

## Colorado River Operations

### *2010 Annual Operating Plan*

A final consultation meeting of the Colorado River Management Work Group to develop the 2010 Annual Operating Plan for the Colorado River System Reservoirs (2010 AOP) was held in Las Vegas, Nevada, on September 22<sup>nd</sup>. There were only a few editorial comments that were offered during the meeting; all of the Secretarial determinations regarding operation of the Colorado River System reservoirs remained the same as reported at previous Board meetings. Following the meeting, Reclamation finalized the recommended 2010 AOP and sent it to the Secretary of the Department of the Interior for approval and transmittal to the Governors of the seven Colorado River Basin states. Currently, the 2010 AOP remains within the Department of the Interior for approval.

### *Yuma Desalting Plant Pilot Project Status*

On September 30<sup>th</sup>, Reclamation's Yuma Area Office released a "Finding of No Significant Impact" (FONSI) determination associated with the proposed pilot run of the Yuma Desalting Plant (YDP). The proposed pilot run would be initiated in early 2010 and the plant would run for one year at one-third capacity. During the pilot run the plant would produce about 60 acre-feet of product water per day. Over the term of the project, approximately 29,000 acre-feet of water will be discharged to the Colorado River. Of that amount, 22,400 acre-feet will be desalted water and the remaining 7,000 acre-feet will be untreated irrigation drainage water from the Wellton-Mohawk Irrigation and Drainage District, which will be blended with the product

water from the plant. I have included a copy of the final FONSI in the Board folder. Also included in the Board folder is a copy of a letter of general support for the proposed YDP pilot project from the Upper Colorado River Commission; and a copy of the executed “Exhibit P” to the “Lower Colorado River Basin Intentionally Created Surplus Forbearance Agreement, which will allow the funding agencies, at a later date, to take delivery of a like quantity of the water that is released to the Colorado River during the pilot run to be diverted as Intentionally Created Surplus (ICS).

#### *SNWA Notice of Availability of Unused Apportionment for Storage by MWD in 2009*

On October 7<sup>th</sup>, the Southern Nevada Water Authority (SNWA) notified Reclamation that it intends to make 60,000 acre-feet of Nevada’s basic apportionment available for storage by MWD during 2009. Copies of SNWA’s letters to Reclamation and MWD are included in the Board folder.

#### *CAP Letter to Reclamation Regarding Development of Procedures and Guidelines for Intentionally Created Surplus (ICS) and Intentionally Created Unused Apportionment (ICUA) to Store 70,000 acre-feet in 2009*

On October 28<sup>th</sup>, CAP sent a letter to Reclamation’s Lower Colorado Regional Office expressing concern that procedures and guidelines associated with the creation of, and accounting for, Intentionally Created Surplus (ICS) and Intentionally Created Unused Apportionment (ICUA) have still not been agreed upon and finalized. Some of CAP’s concerns generally are the result of MWD proposing to create approximately 70 KAF of ICS while storing about 60 KAF of ICUA for SNWA (mentioned above). Additionally, CAP intends to store about 20 KAF of SNWA unused apportionment while endeavoring to put all of Arizona’s basic mainstream apportionment of 2.8 MAF to beneficial use. CAP urges Reclamation to expedite the development and implementation of appropriate procedures and guidelines associated with the creation and accounting of ICS and ICUA, as soon as is practicably possible. A copy of CAP’s letter has been included in the Board folder.

#### *Inadvertent Overrun and Payback Procedures*

Reclamation, over the past several months, has been developing procedures for implementation of the Inadvertent Overrun and Payback Policy. In developing those draft procedures, two issues within California have surfaced: 1) the ability of an entity to payback an overrun of another entity; and 2) the ability to delay a payback if it is under some threshold, i.e., the concept of banding. To further explore these two issues, a meeting of the Agency Managers has been scheduled for November 12<sup>th</sup> following the Colorado River Board meeting.

#### Basin States Discussions

#### *Reclamation Selects Three Western River Basins for Inclusion in the “Basin Study Program”*

On September 17<sup>th</sup>, Reclamation announced the selection of three western river basins for inclusion in its “Basin Study Program.” The three river basins selected include: 1) The Colorado

River Basin Water Supply and Demand Study (\$1 million Reclamation, and \$1 million matching); 2) the Yakima River Basin Study and Associated Basin Restoration Implementation Plan (\$1.3 Reclamation, and \$1.3 million matching); and 3) Modeling for the Future of the Milk and St. Mary River Systems in north-central and southern Montana (\$350,000 Reclamation, and \$350,000 matching).

As you recall, the purpose of the Colorado River Basin Water Supply and Demand Study is to conduct a comprehensive study to define current and future imbalances in water supply and demand in the Colorado River Basin (Basin) and to develop and analyze adaptation and mitigation strategies to resolve those imbalances. The study will characterize the current water supply and demand imbalances in the Basin considering historical climate variability, as well as, potential impacts of climate change; identify potential strategies and options to resolve Basin-wide water supply and demand imbalances; identify potential legal and regulatory constraints and analysis of potential impacts to Basin resources for the strategies and options considered; and prioritize identified options; and provide recommendations for potential future feasibility studies, as appropriate.

Currently, representatives of Reclamation's Upper and Lower Colorado Regions are meeting with the Basin states to develop the Memorandum of Agreement, the Contributed Funds Agreement, and the proposed Plan of Study for the Colorado River Basin Water Supply and Demand Study. Copies of Reclamation's letter announcing the selection of the Colorado River Basin, and Reclamation's Press Release, from the Commissioner's Office, announcing the selection of the three river basins have been included in the Board folder.

Reclamation's goal is to begin the study in January 2010. As such, I have indicated that, based upon the Board's meeting schedule, I need to have the documents in final draft form prior to the Board's January 13<sup>th</sup> meeting.

*The Secretary of the Interior's Delegation of Authority to the Commissioner of Reclamation for Implementation of Title X of P.L. 111-11, Navajo-Gallup Water Supply Project, New Mexico*

On October 1<sup>st</sup>, Secretary of the Interior, Ken Salazar, issued an order delegating authority to the Commissioner of Reclamation related to implementation of elements of the Navajo-Gallup Water Supply Project pursuant to Title X of P.L. 111-11. The Secretarial Order authorizes Reclamation to design, construct, operate, and maintain the Project; as well as negotiate and execute cost-sharing agreements, settlement contracts, and repayment obligations among Project proponents. A copy of the Secretarial Order is included in the Board folder.

#### Colorado River Environmental Issues

*Secretary Salazar's Letter to the Basin states regarding the Glen Canyon Dam Adaptive Management Program*

On October 8<sup>th</sup>, Secretary Salazar responded, via letter, to the Basin states' letter of July 27, 2009, regarding operation of the Colorado River reservoirs and the Glen Canyon Dam Adaptive Management Program (GCDAMP). Secretary Salazar affirmed the Department's

commitment to the collaborative relationships that are in place related to operation of the Colorado River system and reservoirs and consistent with the Interim Guidelines. The Secretary reiterated that it is still the Department's intent to operate Glen Canyon Dam pursuant to the 2008 Experimental Plan through 2012, and consistent with each year's annual operating plan. Secretary Salazar also stated that Departmental senior leadership are currently involved in prioritizing and focusing on the key policy issues necessary to improve the efficient implementation of the GCDAMP. He further identified that Assistant Secretary for Water and Science, Ms. Anne Castle, is heading up that effort, and acts as the Secretary's Designee to the GCDAMP. A copy of Secretary Salazar's letter to the Basin states is included in the Board folder.

*Grand Canyon Trust Letter to Secretary Salazar Regarding Glen Canyon Dam Annual Operating Plan*

On October 23<sup>rd</sup>, the Grand Canyon Trust (GCT) sent a letter to Secretary Salazar expressing continued concern that operations at Glen Canyon Dam were continuing to degrade sediment resources and habitats in the Glen and Grand Canyon reaches of the Colorado River below Glen Canyon Dam. Specifically, the GCT believes that equalizing the annual pattern of monthly releases can contribute to the retention of sediment resources below the dam. Also, the GCT recommends that the Department of the Interior reconstitute the existing Colorado River Management Work Group (CRMWG) as a formal Federal Advisory Committee Act (FACA) committee, and allow for more public interaction and transparency. The GCT believes that the existing CRMWG currently makes "recommendations" to the Secretary during the development of the AOP each year, and therefore should become chartered under FACA and include broader representation and other stakeholder interests. A copy of the GCT's letter is included in the Board folder.

*Supplement to the 2008 Final U.S. Fish and Wildlife Service Biological Opinion for the Operation of Glen Canyon Dam*

On October 29<sup>th</sup>, the U.S. Fish and Wildlife Service (USFWS) issued a supplemental biological opinion (BO) to the existing 2008 BO associated with the operation of Glen Canyon Dam. This supplemental BO was prepared pursuant to a May 26<sup>th</sup> order of the United States District Court in the *Grand Canyon Trust v. United States, et al.* lawsuit. This supplemental BO explains, in more detail, why the Modified Low Fluctuating Flow (MLFF) alternative does not violate the Endangered Species Act (ESA). Toward that end, the supplemental BO states the following:

From the Conclusion:

"After reviewing the current status of the humpback chub and its critical habitat, the current status of the Kanab ambersnail, the environmental baseline for the action area, the effects of implementation of the proposed action, and the cumulative effects, it is our biological opinion that implementation of the Glen Canyon Dam March 2008 high flow test and the five-year implementation of the MLFF with steady releases in September and October, as proposed, is not likely to jeopardize the continued existence of the humpback

chub or the Kanab ambersnail, and is not likely to destroy or adversely modify designated critical habitat for the humpback chub."

From the Rationale:

"The best available scientific information indicates that the implementation of MLFF (and the other aspects of Reclamation's action, including the GCDAMP) has not resulted in jeopardy to humpback chub or destruction or adverse modification of its critical habitat. In fact, Reclamation's implementation of MLFF, and more recently implemented conservation measures, has benefited humpback chub, and we believe is likely to continue to do so."

A copy of the supplemental BO has been made available to all of the parties involved in the lawsuit, and now awaits further action in the United States District Court. Please let me know if you would like a copy of the supplemental BO, as the Board does have the document in an electronic format.

### Colorado River Water Quality Issues

#### *Colorado River Basin Salinity Control Program Status*

##### 1. Work Group Meeting – October 26, 2009

The Colorado River Basin Salinity Control Forum, Forum's Work Group, and the Advisory Council met over a three-day period in Phoenix, Arizona, on October 26-28, 2009. The meetings were held at the main offices of the Central Arizona Water Conservation District in north-Phoenix.

The Forum's Work Group met on October 26<sup>th</sup> and reviewed and finalized the agendas for the upcoming Forum and Advisory Council meetings. Additionally, the Work Group agreed to formally recommend to the Forum that the Ouray County portion of the Lower Gunnison Project and the Green River area be added to the Colorado River Basin Salinity Control Program project areas. Adding the Ouray County portion to the current Lower Gunnison Project would add approximately 15,000 acres to the project and reduce the overall salt-loading in that region from 2.8 tons of salt per acre to approximately 2.0 tons per acre. Adding the Green River area would add approximately 4,000 acres to the Program and could reduce salt-loading to the Green River by approximately 7,000 tons per year.

The Work Group also discussed the current state-of-knowledge associated with salt-loading to the mainstem of the River in the Moab, Utah region. Currently, there is a variation of between 170 ppm and about 1,100 ppm in total dissolved solids (TDS) in the Colorado River above Moab and down to the area of the Atlas Mine tailings site. At this juncture, there is not enough valid scientific data available to fully understand the fairly wide discrepancy in TDS measurements. The Utah Department of Environmental Quality and the U.S. Geological Survey are planning to review the current data and conduct additional analyses and see if there are specific recommendations that can be made to the Work Group and Forum.

The Forum's Work Group continues to work on refining the estimates of "unquantified damages" associated with Colorado River basin salinity. The Work Group's subcommittee evaluating these damages is planning to have a draft report by mid-2010. It is anticipated that the Forum's 2011 Triennial Review report will have an updated section describing the unquantified damages related to salt-loading in the Basin and the continued benefits of the salinity control program.

Finally, the Work Group discussed the proposed schedule and timeline for development of the 2011 Triennial Review report. The Work Group discussed that new modeling runs would be required of Reclamation and the Natural Resources and Conservation Service, and updated non-point source discharge permit status would be required from each of the seven basin states. It is anticipated that the draft triennial review report would be made available at the spring meeting of the Forum in the March 2011 timeframe.

## 2. Advisory Council Meeting – October 27, 2009

The Advisory Council convened on October 27<sup>th</sup> and took reports from the federal agencies participating in the Salinity Control Program. The Advisory Council heard status reports from Reclamation, Bureau of Land Management, U.S. Fish and Wildlife Service, U.S. Geological Survey, Natural Resources Conservation Service, U.S. Department of Agriculture, and the International Boundary and Water Commission. There was discussion associated with the FY-2010 and FY-2011 budgets for each agency. Specifically, there was significant discussion of the integration of the new "Basin States Program" authorized in the recent 2008 amendments to the Colorado River Basin Salinity Control Act. Pursuant to the new legislation, the Advisory Council established the Technical Advisory Group (TAG). The TAG will advise the Advisory Council to make recommendations for new salinity control projects, activities, research and studies, and make funding recommendations. The TAG is advisory only to the Advisory Council.

Also, based upon the amendments to the Salinity Control Act, there are now three primary sources of funding for the Program, including: (1) appropriations through the Department of the Interior (Reclamation, BLM, and USGS); (2) appropriations through the annual Farm Bill to the USDA Environmental Quality Incentives Program (EQIP) matching grants/cost-sharing; and (3) contributions from the Upper and Lower Basin Development Funds (i.e., the "Basin States Program"). Finally, the Advisory Council made the following federal agency funding-level recommendations:

Reclamation - \$17.5 million  
NRCS/USDA - \$20 million  
BLM - \$1.5 million

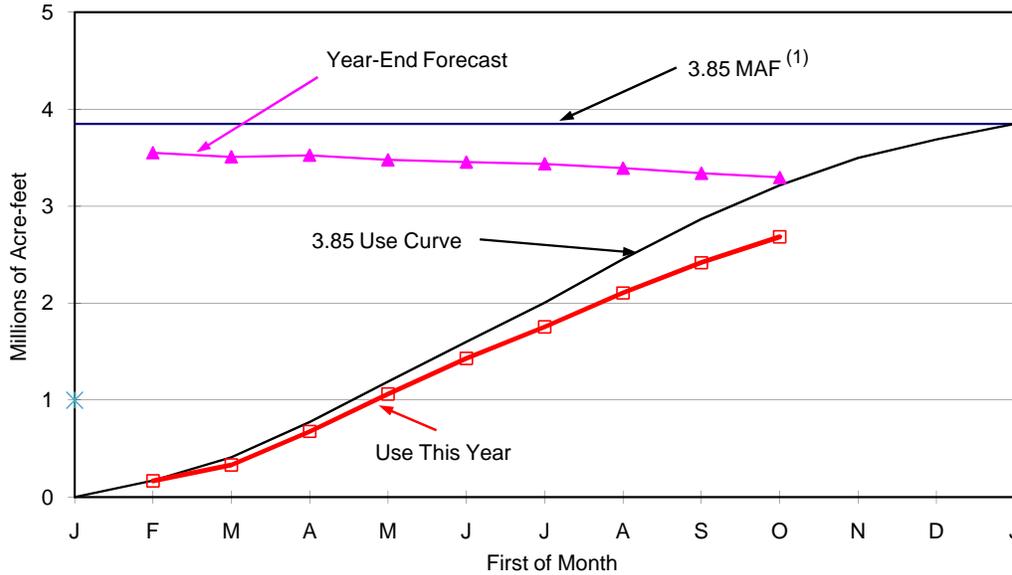
The Advisory Council agreed to send letters recommending these funding levels to the Secretaries of Agriculture and Interior.

3. Forum Meeting – October 27-28, 2009

The Forum convened its meeting and reviewed the results and recommendations from the Advisory Council, and received a report from the Work Group. The Forum also received reports from Reclamation's Upper and Lower Colorado Regional Directors; discussed the status of the YDP Proposed Pilot Run project; heard reports from State NRCS Conservationists in each of the upper basin states; discussed the status of the Lower Basin Fund; status of the Paradox Project; and the use of modeling to more accurately assess the impacts of salt-loading and the efficacy of salinity control projects. Finally, the Forum scheduled its next meeting to be held on June 2-4, 2010 in Cheyenne, Wyoming.

  
Gerald R. Zimmerman  
Executive Director

**FIGURE 1**  
**NOVEMBER 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	0.019
Mar	0.332	3.509	0.061
Apr	0.678	3.526	0.044
May	1.064	3.478	0.092
Jun	1.430	3.454	0.116
Jul	1.755	3.437	0.133
Aug	2.106	3.392	0.178
Sep	2.418	3.340	0.230
Oct	2.685	3.297	0.273
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 being diverted by MWD; 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 CVWD are forbearing to permit the Secretary of the Interior to satisfy apportion of Indian and miscellaneous present perfected rights use; 3,751 af of California Agricultural water paybacks; and 25,000 af of Intentionally Created Surplus by IID 2007. 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.