

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

November 8, 2011

ADMINISTRATION

Approval of Board Meeting Minutes – October 12, 2011

A copy of the draft October 12th Board meeting minutes has been included in the Board folder for review and consideration. I am respectfully requesting the Board's adoption and approval of the October 12th meeting minutes.

Proposed 2012 Colorado River Board Meeting Schedule

A copy of the proposed meeting schedule for the Colorado River Board of California during Calendar Year 2012 has been included in the Board folder. I am requesting that Board members and alternates review the proposed schedule and let Dr. Chen, or myself, know if there are any potential conflicts. Typically, the Board approves and adopts the meeting schedule for the next year at its December meeting.

PROTECTION OF EXISTING RIGHTS

Colorado River Water Report

As of October 31, 2011, storage in the major Upper Basin reservoirs decreased by 439,400 acre-feet and storage in the Lower Basin reservoirs increased by 288,100 acre-feet during October 2011. Total System active storage as of November 1st was 38.527 million acre-feet (maf), or 65 percent of capacity, which is 5.748 maf more than one year ago (Upper Basin reservoirs increased by 2.288 maf and Lower Basin reservoirs increased by 3.460 maf).

October releases from Hoover, Davis, and Parker Dams averaged 7,200, 9,940 and 7,680 cubic feet per second (cfs), respectively. Planned releases from those three dams for the month of November 2011, are 10,300, 8,700, and 5,900 cfs, respectively. The November releases represent those needed to meet downstream water requirements including those caused by reduced operation of Senator Wash Reservoir and storage in the Warren H. Brock (Drop 2) Reservoir.

As of October 31st, taking into account both measured and unmeasured return flows, the Lower Division states' consumptive use of Colorado River water for calendar year 2011, as forecasted by Reclamation, totals 7.357 maf and is described as follows: Arizona, 2.796 maf; California, 4.317 maf; and Nevada, 0.244 maf. The Central Arizona Project (CAP) will divert 1.597 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 0.705 maf, which is 394,000 acre-feet less than its 2010 use of mainstream water.

The preliminary end-of-year estimate by the Board staff for 2011 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 3.631 maf. This estimate is based on the collective use, through September 2011, 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 November 6th, the water level at the Lake Mead was at 1,121.54 feet above the mean sea level, and the storage was 13.509 maf, 52.2 percent of capacity, while the water level at Lake Powell was at 3,649.74 feet above the mean sea level and the storage was 17.183 maf, 70.7 percent of capacity.

Colorado River Operations

Reclamation's Lower Colorado Regional Director, Lorri Gray-Lee Named as the Regional Director of Pacific Northwest Region

On October 14th, the Commissioner of Reclamation announced that Ms. Lorri Gray-Lee, the current Lower Colorado Regional Director, will be the new Regional Director for Reclamation's Pacific Northwest Region. Ms. Gray-Lee will be replacing Mr. Karl Wirkus, who is retiring on December 31st. As most of you are aware, Ms. Gray-Lee has been Regional Director of the Lower Colorado Region for four years, and has over 28 years of federal service, all of it in Reclamation's Lower Colorado Region. Until a new Regional Director is appointed, Mr. Terry Fulp, the Deputy Regional Director, will serve as Acting Regional Director beginning in January. I have included a copy of the news release announcing the changes in the Board folder.

Status of the 2012 Annual Operating Plan for Colorado River Reservoirs

The final proposed 2012 Annual Operating Plan for Colorado River Reservoirs (AOP) has been sent to the Commissioner of Reclamation for his review and approval. In the interim, Reclamation has posted the final proposed AOP on its webpages, and anticipates that the Commissioner will forward the approved AOP on to the Secretary of the Department of the Interior for his review and approval in the near term. The final approved AOP will also be posted to Reclamation's webpages in both the Lower and Upper Colorado Regions.

Reclamation's Letter Regarding the 2011 Inadvertent Overrun and Payback Policy (IOPP) for the Fort Mojave Indian Tribe in California

Reclamation and the Fort Mojave Indian Tribe (FMIT) have come to agreement on the terms and conditions associated with the FMIT 2011 IOPP payback obligation. Initially, Reclamation had determined that the FMIT had an IOPP 2011 payback obligation of 4,557 acre-

feet, while the FMIT believed that its payback obligation was 2,255 acre-feet. After meeting with the FMIT several times, Reclamation has concluded that the actual amount of 2011 IOPP payback obligation for the FMIT is 2,049 acre-feet. Reclamation believes that the discrepancy is the result of a period of a lack of effective communication between Reclamation and the FMIT associated with appropriate accounting for the FMIT's 2009 water use. Part of the problem originally, according to Reclamation's letter, was the "respective roles and interplay of Reclamation, the Bureau of Indian Affairs, entitlement holders, and the IOPP Technical Committee and the development of practical timelines, were evolving during the years in question."

Letter from Lower Basin Municipal Water Agencies to Reclamation Regarding Implementation of Actions to Enhance Storage in Lake Mead in 2011

On October 13th, the Central Arizona Water Conservation District (CAWCD), The Metropolitan Water District of Southern California (MWD), and Southern Nevada Water Authority (SNWA) sent a joint letter to Reclamation requesting that if there were any unused apportionment available in 2011, that it not be apportioned, pursuant to Article II.B.6 of the Consolidated Decree, but be retained in storage in Lake Mead to the benefit of the system. The three Lower Basin municipal water agencies stated their continued commitment to implementation of water conservation programs and activities (e.g., creation of intentionally created surplus, interstate water banking, operation of the Warren H. Brock Reservoir, etc.). According to the water agencies' letter, it appears that not all of the water apportioned for use within Nevada will be consumed in 2011. The water agencies urge Reclamation "...not to reallocate the water to another state, but rather to leave the water in Lake Mead for the overall benefit of the Colorado River system..." A copy of the water agencies' letter has been included in the Board folder.

Basin States Discussions

Status of Binational Discussions/Negotiations

Since the October Board meeting, little substantive progress has been made in the negotiations with Mexico regarding Minute 319. However, the objective still remains to have a signed minute, acceptable to both countries, by the beginning of next year. As was discussed last month, several small subgroups have been formed among the U.S. participants to address various legal questions. Each of these groups has been meeting and the larger Legal Committee will be getting reports from each of the subgroups on November 10th.

Reclamation is preparing a report on the analysis that has been conducted by the Binational Sub-routine Group on potential shortage and surplus triggers associated with potential reservoir elevations, reservoir storage contents, and climatic indices. That report should be available next week. In addition, Reclamation staff is preparing a more detailed draft Exploratory Cooperative Binational Package that could be shared with Mexico. That document will be made available to the states and others by the middle of the month. The intent is to share this revised version of the draft Exploratory Cooperative Binational Package in order to have a meeting among Mexico's representatives and the federal representatives from the United States.

Status of Basin Study

Progress is being made in completing the Basin Study. The focus has been on finalizing the water demands under the current trends and developing the process for the Options and Strategies phase of the study. The California parties have been working with the Bureau of Reclamation staff and the study consultants to finalize the current trends demand data and to develop the data for each of the alternative demand scenarios. The current trends demand data has been developed. Some additional work regarding the demands for each of the alternative scenarios needs to occur.

The goals of the Options and Strategies Phase of the study are: 1) to receive broad input on potential options for addressing future water supply and demand imbalances, 2) to evaluate representative options for major categories of options received, 3) to explore the effectiveness of various combinations of options, and 4) to summarize findings related to the performance and robustness of various options and portfolios. It is not intended for the study to result in the selection of a particular proposed project or set of projects. Rather, the study is intended to explore a broad range of opportunities to address future imbalances and the performance of those opportunities across a range of future conditions and in terms of impacts to Basin resource.

Currently, it is planned to have the public release of the Options and Strategies Report package on November 22nd. That package will contain the Options and Strategies Information Report and the Options Submittal Form. The Options and Strategies Information Report will provide background information on the study effort, the projected water supply and demand imbalances, the process for development and evaluation of potential options and strategies for balancing the water supply and demand, and the next steps. Through the release of this information package, the study group will be requesting public input on various potential strategies and options for addressing the water supply and demand imbalances. A Submittal Form will be provided for the public to submit structural and non-structural options and strategies to address this imbalance. The deadline for submitting the options and strategies will be mid-January 2012.

An extensive public outreach process has been developed to receive input from the public and others. Webinars are being scheduled for the Options and Strategies Phase of the study. The first webinar will be held on November 28th. Reclamation will use its mailing list to distribute the Options and Strategies Information packet to a diverse group of interested parties; there will be a press release from Commissioner Connor; a booth will be set-up at the Colorado River Water Users Association's Annual Conference in December in Las Vegas, Nevada; and each of the states and participating agencies will help to make interested parties aware of the opportunity to provide input on the potential options and strategies to address the water supply and demand imbalance in the Colorado River Basin.

Colorado River Environmental Issues

Final Comment Letter Associated with the U.S. Fish and Wildlife Service's Proposal to Revise the Critical Habitat Designation for the Endangered Southwestern Willow Flycatcher

As was discussed at the October 12th Board meeting, Board staff had prepared a draft comment letter responding to the *Federal Register* notice by the U.S. Fish and Wildlife Service (USFWS) indicating that it had issued a proposed rule revising its designation of critical habitat for the endangered Southwestern Willow Flycatcher (WIFL). The proposed rule was issued on August 15th (76 *FR* No. 157, 50542-50629), and comments on the proposed rule were due on October 14th.

The letter submitted on behalf of the Board primarily focused on the comment that the entire planning area of the Lower Colorado River Multi-Species Conservation Program (LCR MSCP) should be excluded from designation as critical habitat for the WIFL, including lands currently managed by the USFWS as national wildlife refuges. The letter also addressed another important comment that proposed critical habitat for the WIFL should not be delineated and designated within the full pool of Lake Mead. Designation of critical habitat within the full-pool of Lake Mead should be excluded as any potential suitable habitat in this area would be subject to periodic inundation or desiccation as the water surface elevation of Lake Mead rises and falls over time. Additionally, the letter suggested that Reclamation has no discretionary control over Lake Mead water surface elevations. Finally, the Board's letter also fully supported and endorsed the general and specific comments contained within the Bureau of Reclamation's comment letter associated with the proposed WIFL critical habitat designation. A copy of the Board's comment letter has been included as hand-out material for the meeting.

Reclamation Announces Public Meetings Associated with the Development of the Long-Term Experimental and Management Plan for Glen Canyon Dam Operations

On October 18th, Reclamation announced that it had scheduled a series of public meetings associated with its development of the Long-Term Experimental and Management Plan (LTEMP) for Glen Canyon Dam operations. The LTEMP is the first comprehensive review of Glen Canyon Dam operations in 15 years, i.e., since the release of the Glen Canyon Dam Environmental Impact Statement in 1995. The primary purpose of the LTEMP is to develop a plan that will determine the timing and volume of water flows from Glen Canyon Dam, whether modifications to dam operations may be required, and whether to establish an Endangered Species Act Recovery Implementation Program for the endangered fish in the Glen and Grand Canyon reaches of the Colorado River. Any proposed changes to dam operations, or recommendations for endangered species actions will be presented as a range of alternatives in an environmental impact statement pursuant to the National Environmental Policy Act. A news release and *Federal Register* notice announcing the public meetings, and schedule and location of the meetings, have been included in the Board folder.

WATER QUALITY

Colorado River Basin Salinity Control Forum and Advisory Council Meetings, Santa Fe, New Mexico

On October 25th and 26th, 2011, the Colorado River Basin Salinity Control Forum (Forum) and Advisory Council held meetings in Santa Fe, New Mexico. Major issues discussed

include the Triennial Review report, Alternative Study for the Paradox Valley Unit injection well facility, the 2012 Farm Bill, and updates from the participating federal agencies.

The Forum adopted the October 2011 Triennial Review, *Water Quality Standards for Salinity, Colorado River System* (Triennial Review). Except for some minor formatting changes and an update to the EPA-administered National Pollutant Discharge Elimination System (NPDES) permits list found in Appendix C, the Triennial Review maintains the same numeric criteria. With the plan of implementation in place, there is little probability that the numeric criteria will be exceeded. At the Forum meeting, each state was asked to adopt this Triennial Review within their own state's water quality standards. An electronic version of the 2011 Triennial Review has been posted to the web and can be reviewed and/or downloaded and printed at the following address: <http://www.coloradoriversalinity.org/docs/2011%20REVIEW-October.pdf>.

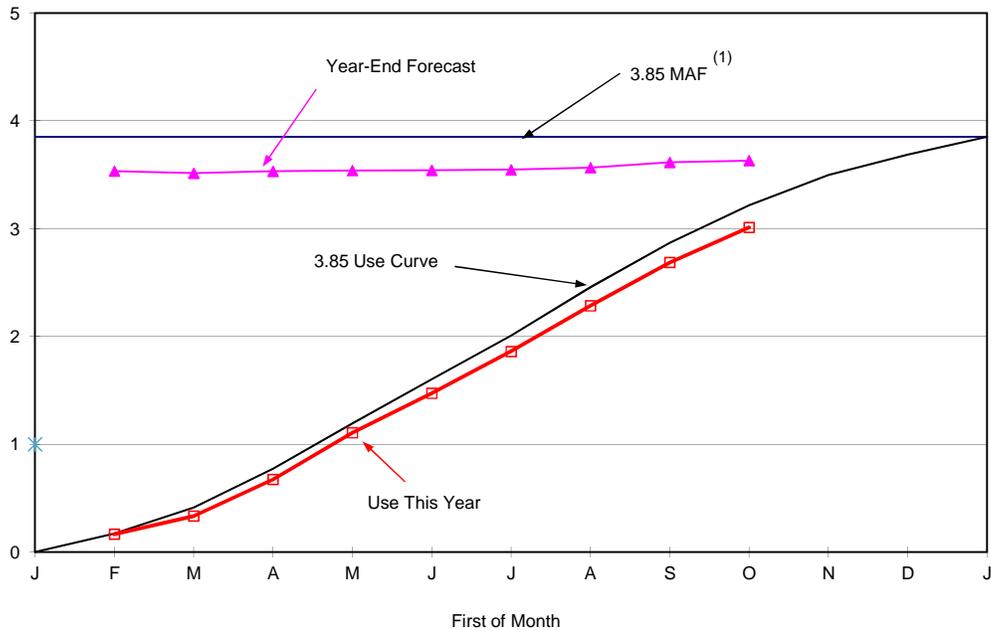
The Forum heard reports from Reclamation and the U.S. Geological Survey regarding potential alternatives for emergency and long-term replacement of the Paradox Valley Unit injection well facility. In light of additional information provided by Reclamation, and the urgency of potential failure of the existing injection well system, the Forum urged Reclamation to continue to move ahead with its pilot evaporation pond study and related environmental assessment process associated with other potential alternatives, including the environmental analysis for a complete replacement of the brine injection well.

The Forum heard from representatives of the U.S. Department of Agriculture (USDA) on the status of the current Farm Bill which is set to expire on September 30, 2012. There was also discussion on how best the Basin states can become involved in discussions associated with the next iteration of the Farm Bill in Congress. It is important that the Farm Bill provisions continue to support and encourage the USDA's successful on-farm salinity control program. USDA salinity program activities, largely administered through the Natural Resources Conservation Service (NRCS), have been some of the most cost-effective efforts in controlling the salinity of the Colorado River. A letter is currently being drafted to be sent to the Deputy Chief for Programs (USDA-NRCS), Anthony Kramer, in support of the three-year funding plan developed by the three State Conservationists and the requested Environmental Quality Incentives Program (EQIP) funding plan for salinity control activities. Finally, the Forum approved having Mr. Don Barnett, the Forum's Executive Director, and other representatives continue to work with Congressional delegations to maintain full funding for the Salinity Control Program.

The next meeting of the Forum and Advisory Council has been tentatively scheduled for the end of May or beginning of June 2012, and will likely be held at a location, to be determined, in Utah.


Christopher S. Harris
Acting Executive Director

FIGURE 1
NOVEMBER 1, 2011 FORECAST OF 2011 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	0.167	3.533	0.009
Mar	0.335	3.514	0.028
Apr	0.674	3.531	0.011
May	1.107	3.539	0.004
Jun	1.473	3.541	0.001
Jul	1.861	3.546	-0.004
Aug	2.285	3.566	-0.023
Sep	2.686	3.615	-0.073
Oct	3.011	3.631	-0.089
Nov			
Dec			
Jan			

(1) The forecast of unused water is based on the availability of 3.542 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 1988 IID-MWD-CVWD-PVID Agreement as amended; 80,000 AF of conserved water available to SDCWA under the IID-SDCWA Transfer Agreement as amended being diverted by MWD; as estimated 29,000 AF of conserved water available to SDCWA and MWD as a result of the Coachella Canal Lining Project, 67,700 AF of water 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 a portion of Indian and miscellaneous present perfected rights use and 25,000 AF of water IID is conserving to create Extraordinary Conservation Intentionally Created Surplus. 0 AF has been subtracted for IID's Salton Sea Salinity Management in 2011. As USBR is charging uses by Yuma Island pumpers to priority 2, the amount of unused water has been reduced by those uses - 6,530 AF. The CRB does not concur with USBR's viewpoint on this matter.