

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

October 8, 2013

ADMINISTRATION

Minutes of the August 14, 2013 Meeting of the Colorado River Board

A copy of the draft Board meeting minutes from the meeting held on August 14 has been forwarded for your review. Consideration of the minutes is on the agenda for the regularly scheduled Board meeting on October 9, 2013.

PROTECTION OF EXISTING RIGHTS

Colorado River Basin Water Report

As of October 1, 2013, the water level at Lake Mead was at 1,107 feet with 12.4 million acre-feet (maf) of storage, or 48 % of capacity, while the water level at Lake Powell was at 3,591 feet with 10.9 maf of storage, or 45 % of capacity. Due to recent storms, the storage in Lake Powell increased by approximately 150,000 acre-feet since September 1, 2013. The total System active storage as of October 1, 2013 was 29.9 maf, or 50 % of capacity, which is 4.1 maf less than one year ago when the System storage was at 57 % of capacity.

Recent storm events in the Upper and Lower Basins have provided benefits to the Colorado River system. During the month of September, the Upper Basin experienced record-breaking storm events, and although the majority of the precipitation fell outside of the basin, Lake Powell received approximately twice as much inflow as it was forecasted to receive. Significant rain events also occurred in the Lower Basin that caused flooding in the Imperial Valley and led to decreases in water orders for September.

As of September 30, 2013, 2013, taking into account both measured and unmeasured return flows, the Lower Division states' consumptive use of Colorado River water for calendar year 2013 is forecasted by Reclamation to be 7.32 maf and is described as follows: Arizona, 2.78 maf; California, 4.30 maf; and Nevada, .256 maf.

As of September 30, 2013, the preliminary end-of-year estimate by the Bureau of Reclamation for 2013 for California's agricultural consumptive use of Colorado River water under the first three priorities and the sixth priority of the 1931 *California Seven Party Agreement* is forecasted to be 3.36 maf. This estimate is based on the collective use, through August 2013, by the Palo Verde Irrigation District, the Yuma Project-Reservation Division, the Imperial Irrigation District, and the Coachella Valley Water District. The Metropolitan Water District of Southern California is forecasted to use about .851 maf.

COLORADO RIVER OPERATIONS

Final Consultation Meeting Regarding the 2014 Annual Operating Plan

The third and final consultation meeting associated with development of the 2014 Annual Operating Plan (AOP) was held on September 5, 2013. Representatives of Reclamation's Upper and Lower Colorado regions reviewed the final changes to the plan and received final comments. A copy of the final draft has been posted on-line and is available at: http://www.usbr.gov/lc/region/g4000/AOP2014/AOP14_draft.pdf. The final draft has been submitted to the Department of the Interior in Washington and is expected to be issued prior to the end of the calendar year.

The final draft AOP reviewed on September 5 was based on the August 2013 24-Month Study of proposed hydrology for the basin. The final draft AOP confirms that the "Mid-Elevation Release Tier" will govern Lake Powell operations during Water-Year 2014. Based on the August 2013 24-Month Study, the final draft AOP confirms that the projected water release from Glen Canyon Dam will be 7.48 million acre-feet. In the Lower Basin, the final draft AOP confirms that the "Intentionally Created Surplus Condition" will govern operation of Lake Mead, and that no unused apportionment is anticipated to be available for Calendar-Year 2014. Finally, the final draft AOP confirms that up to 1.5 million acre-feet will be scheduled for delivery to Mexico in accordance with the 1944 Water Treaty, but that amount could be adjusted to address additional water stored or delivered pursuant to Minute 319.

BASIN STATES DISCUSSIONS

October 17, 2013 Basin States Technical Work Group Meeting

On October 17, 2013, the Basin States Technical Work Group is scheduled to meet in Las Vegas, unless the government shutdown continues, to discuss ongoing issues including water operations and forecasting for 2014, subject to the availability of personnel from Reclamation.

Minute 319 Implementation Update

Activities to implement Minute 319 have continued to progress and work is underway in several small bi-national work groups. On September 18, 2013, IBWC and CILA made presentations to the Basin States' principals and others regarding the status of the implementation. A copy of the presentation will be available during the Board meeting.

Workgroup meetings occurred during September relating to environmental flows, water accounting and operations, and basin hydrology team. The environmental flows work group has continued to focus on the creation of a flow delivery plan for the base flow and pulse flow that Mexico will use to improve habitat and environmental conditions in the river corridor south of Morelos Dam and on plans for monitoring progress of the restoration efforts. The environmental flows workgroup conducted its third and final meeting with science experts from the U.S. and Mexico on September 24-25, 2013 in San Diego. The flow delivery plan is being designed to utilize the limited quantities of water available to Mexico under Minute 319 and to fit within the

schedule established by the Minute. Concerns have been raised as to whether the pulse flow can be conducted within a 5,500 cfs limitation that exists with the 1944 Treaty without the need for Mexico to reduce its agricultural water orders for a few days during the pulse flow.

The Water Accounting and Operations workgroup met on August 14 in Tijuana. Reclamation prepared a draft summary of the water accounting and operations considerations to guide the implementation. A meeting of the workgroups relating to the other projects identified in Minute 319, i.e. the Miguel Aleman restoration project, the Laguna Grande project and the Alamo Canal lining project was held on September 12, 2013 and the basin hydrology group met on September 13, 2013.

Status of the Colorado River Basin Water Supply and Demand Study

Since the Basin Study's "next steps" kick-off in May 2013, the Basin Study workgroups, which include the Municipal & Industrial Conservation and Water Reuse (M&I), Agricultural Conservation and Water Transfers, and Environmental & Recreational Flows, have completed their scopes of work and have begun to organize their respective data collection efforts. Recent data collection activities have included the development of a questionnaire by the M&I group to gather information on successful municipal and industrial conservation efforts, the formation smaller sub-teams within the Ag Conservation and Water Transfer workgroup to collect and analyze data on agricultural production in the Basin, water productivity and conservation, and water transfers that have occurred since 1980. The Environmental Flows and Recreation workgroup has drafted selection criteria to select river reaches within the Basin Study Area for additional evaluation. On September 19, 2013 the Department of the Interior announced the allocation of \$100,000 to begin a study of supply and demands relating to tribal water rights within the basin.

The workgroups are planning to meet again in October. The engineering firm, CH2M Hill has been selected to assist with Phase 1 workgroup efforts. The anticipated completion date for the Phase 1 summary report for each of the workgroups has been extended to May 2014.

Status of the Glen Canyon Dam Adaptive Management Program and LTEMP EIS Process

On September 11-12, 2013, a significant summer monsoonal storm event resulted in localized flooding within the Paria River watershed in northern Arizona. Resulting Paria River inflows into the mainstream Colorado River near Lees Ferry deposited nearly one million metric tons of sediment into the bed of the mainstream. Consequently, based upon the criteria established in the High Flow Experimental (HFE) Release Protocol finalized and implemented in 2012, the Department of the Interior has scheduled an HFE release for mid-November 2013. Because of maintenance issues associated with two of the turbines at Glen Canyon Dam, the maximum magnitude of the HFE release is estimated not to exceed 37,000 cfs, and the duration of the high flow is not expected to exceed 96 hours. The primary goal of the HFE release is to redistribute the sediment gained from the recent Paria River flood event into backwaters and on to beaches throughout the Grand Canyon.

Because of the shutdown of much of the federal government, the Glen Canyon Dam Adaptive Management Program Technical Work Group (TWG) meeting scheduled for October 1,

2013 was cancelled and will be rescheduled for a later date. The primary issue to be addressed during the TWG meeting was to be the upcoming HFE release scheduled for later in November.

Technical representatives of the Basin States will be meeting with the science experts that aided in development of the Basin States' Resource Targeted Condition-Dependent (RTCD) alternative for the LTEMP EIS on October 15-16, 2013, in Salt Lake City, Utah. The group will review issues identified following the LTEMP EIS Alternatives workshop that was held in Flagstaff, Arizona in August. The science experts will also be assisting the Basin States technical representatives in preparing a more detailed set of comments associated with all of the various models being used to evaluate the alternatives being analyzed in the EIS. The Basin States are still hoping to meet with the EIS Team to discuss the detailed comments submitted by the Basin States in April 2013 regarding the EIS process.

Colorado River Basin Salinity Control Program

The Colorado River Basin Salinity Control Forum Work Group met on September 10 -12 in Salt Lake City, Utah, and continued its discussions regarding the status of the Lower Colorado River Basin Development Fund (LCRBDF) and the potential impact on implementation of the Salinity Control Program as a result of insufficient available funding. The Work Group has identified some short and long-term options to address the funding issues. One of the short-term options the Work Group will be recommending for adoption is delaying the repayment to the U.S. Treasury on completed projects such as Paradox Injection Unit that is scheduled to start in 2014. The Work Group will prepare a set of recommendations on short-term options to be presented to the Forum at the October 24 meeting in Los Angeles, California. Because of the federal government shutdown, the October meeting of the Advisory Committee has been canceled.

The Work Group is currently in the process of updating the 2011 Triennial Review (Review). At the September meeting, Reclamation ran several scenarios using the May 2013 CRSS Model, which is the most current official CRSS Model. The Work Group will present the matrix of scenarios ran and explain the assumptions made at the Forum meeting. Based on the results of the scenario model runs, the Work Group will make a recommendation to the Forum on the Review update. Reclamation will use the official CRSS for the Review model runs, make comparison runs with demand scenarios from the Basin Study, and run economic damage models on all the scenarios. A draft version of the Review is expected to be available in Spring of 2014.

Patrick Lambert of USGS updated the Work Group on the USGS's on-going attempt at mapping the Upper Colorado River Basin agricultural lands, with an objective to create a regionally and temporally consistent dataset of agricultural lands (i.e., irrigation status and methods). This effort is an attempt to enhance the accuracy and utility of the salinity modeling tool of SPARROW. Mr. Lambert also gave an update on the Pah Tempe Spring experiment, a qualitative verification of streambed thermal spring discharge capture scheduled for November and December of this year. Similar to Paradox Valley, Pah Tempe Spring discharges 90,000 to 105,000 tons of salt per year into the Virgin River.

In connection with the EIS process for the Paradox Well Replacement, Reclamation hosted a site visit of the Paradox Valley Injection facility and the Danish Flats evaporation facility on September 24th and 25th. The tour started from Reclamation's Paradox Valley Field Office in

Bedrock, Colorado, and stopped by the Paradox brine injection facility, the Paradox brine well field, and several potential locations for salt disposal. The tour also visited the Danish Flats Evaporation Ponds in Cisco, Utah. Owned and operated by Danish Flats Environmental Services, LLC, the evaporation ponds are used for the disposal of the nearby oil production wastewater. A potential issue that has been raised by the Fish and Wildlife Service in connection with using evaporation ponds as a salt disposal alternative is the potential impact on migratory birds. The Danish Flats facility had done an 18-month migratory bird study for its facility that will be made available to the cooperating agencies. According to facility representatives, the facility has never had a migratory bird take. The cooperating agencies met at Reclamation's Grand Junction office on September 25th, and discussed the alternatives based on the sites visited the day before. Although no alternatives were completely eliminated from further consideration, the general consensus of the attendees was that a work-over of the existing well is not a viable option, in part because there would be no salinity control at the Paradox site while the injection well is being rehabilitated. The cooperating agencies will continue to review the alternatives in connection with the development of the EIS.#

The next Salinity Forum and Work Group meetings are scheduled for October 21-24, 2013 at The Metropolitan Water District of Southern California's offices in Los Angeles.

Salt Cedar Beetle Lawsuit Filed In U. S. District Court

In March 2013, the Center for Biological Diversity and Maricopa Audubon Society sent a sixty-day Notice of Intent to Sue (NOI) to several federal agencies, including the U.S. Department of Agriculture (USDA) and its Animal and Plant Health Inspection Service (APHIS), and the Department of the Interior's Bureau of Reclamation and U.S. Fish and Wildlife Service. The 60-day NOI alleged violations of the Endangered Species Act associated with the release of the non-native salt cedar (tamarisk) beetle and its potential impact to the endangered southwestern willow flycatcher and its critical habitat in portions of the species' range in southern Utah, Nevada, and northern Arizona.

On September 30, 2013, the Center for Biological Diversity and Maricopa Audubon Society filed a lawsuit in the United States District Court in Las Vegas Nevada, formally alleging violations of the Endangered Species Act by the U.S. Department of Agriculture (USDA) and its failure to protect the endangered southwestern willow flycatcher due to the release of the non-native salt cedar (tamarisk) beetle. The lawsuit alleges that the release of the salt cedar beetle in 2006 near St. George, Utah, has led to the significant defoliation of salt cedar habitat along the Virgin River in southwestern Utah and southern Nevada. Much of this defoliated habitat had been utilized by the southwestern willow flycatcher as breeding habitat and is no longer available for nesting and/or foraging. The lawsuit seeks mitigation from the USDA associated with habitat loss and requests that USDA consult with the USFWS to develop a long-term plan to replace salt cedar habitat defoliated by the beetle with native cottonwood and willow habitat.

Invasive Species Listings of Quagga Mussels

Concerns have been raised recently regarding proposals to expand the definition of invasive mussels to include quagga mussels (the existing definition includes zebra mussels but not quaggas). Because quagga mussels already exist in the Lower Colorado River, the expanded

definition could be problematic for Lower Basin water deliveries because the Lacey Act prohibits interstate transport of invasive species. The Colorado River is the interstate boundary between California and Arizona and diversion structures exist on both sides of the river. Texas and Oklahoma recently resolved an inability to divert water across state lines as a result of a Lacey Act prohibition through legislative amendment. In order to avoid having to cure a problem after the fact, several California entities and water providers from other states have informed congressional members and the Fish and Wildlife Service about the concern relating to the expanded invasive species definition of mussels. It is hoped that either an administrative or legislative fix can be created to exempt water deliveries from the Lacey Act's prohibitions. At present, legislative attempts to expand the invasive species list to include quagga mussels have not moved forward. The Fish and Wildlife Service is going through a rulemaking process to allow categorical exclusions from NEPA for invasive species listings and comments are anticipated to make sure the concerns relating to the inclusion of quagga mussels as an invasive species are recognized. The current comment deadline is October 15, 2013.

Navajo Litigation Update

On September 9, 2013, the U.S. filed a motion to dismiss the Navajo Nation's Amended Complaint. On September 23, 2013, the non-federal intervening parties, including the three intervening parties from California, IID, CVWD and MWD, filed motions to dismiss the Amended Complaint. In addition, the State of Colorado has filed a motion to intervene in the case. A ruling on the motions is not anticipated before the end of the calendar year.

Events

On August 15, the Urban Water Institute's meeting in San Diego focused on Colorado River issues and included presentations by representatives from several Colorado River Board member agencies.

On August 15-16, the Clyde Martz Summer Water Conference was held at the University of Colorado Law School in Boulder, Colorado. The theme of this year's conference was "Arizona v. California at 50: The Legacy and Future of Governance, Reserved Rights and Water Transfers".

On September 18-20, the Water Education Foundation held its Colorado River Symposium in Santa Fe, which covered a variety of current issues.

On October 8, the California Department of Water Resources and the National Water Research Institute will hold a Drought Response Workshop. Jeanine Jones and Bill Hasencamp are featured speakers at the workshop.

On October 22-23, the Colorado River Basin Forecast Center will host a technical workshop in Salt Lake City to review the Center's forecasting products.

/S/Tanya Trujillo

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