

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

February 10, 2014

ADMINISTRATION

Minutes of the December 11, 2013 Meeting of the Colorado River Board

A copy of the draft Board meeting minutes from the meeting held on December 11, 2013 has been included in the Board packet for your review.

2014 Board Meeting Schedule

At the December 11, 2013 meeting, the Board adopted a new meeting schedule that provides for the Board meetings to rotate among member agency locations. The Board is scheduled to meet in Blythe on February 12, the Metropolitan Water District on March 12, and Imperial Irrigation District on April 9. Colorado River Board staff will coordinate with the member agency staff regarding meeting details and potential field trip/touring opportunities. The revised schedule provides an opportunity to become more familiar with the operations and facilities at the Board's member agencies.

Statement of Economic Interests Deadline

On January 13, 2014, a request to complete the annual Form 700 Statement of Economic Interests for January 1, 2013 through December 31, 2013, was emailed from the Colorado River Board's staff to all Board members. The email included the Form 700 2013-14; Form 700 Reference Pamphlet, 2013-14; Form 700 Disclosure FAQs; and the Conflict of Interest Code for Colorado River Board. The Form 700 Statement must be received back by April 1, 2014.

COLORADO RIVER BASIN WATER REPORT

As of February 3, 2014, the water level at Lake Mead was at 1,109 feet with 12.55 million acre-feet (maf) of storage, or 48 % of capacity, while the water level at Lake Powell was at 3,578 feet with 9.81 maf of storage, or 40 % of capacity. The total System active storage as of February 2 was 29.03 maf, or 49 % of capacity, which is 3.74 maf less than one year ago when the System storage was at 55 % of capacity. As of February 2, 2014, the Upper Colorado River Basin reservoirs other than Lake Powell ranged from 47% to 92% of their full capacities.

The unregulated inflow into Lake Powell for Water Year 2014, based on Reclamation's January mid-month forecast dated January 16, 2014, is forecast to be 10.0 maf, or 93% of average. The recent snow storms in Colorado and Utah may increase projections. As of February 3, 2014, the Basin snowpack was at 100% of average and the Water Year 2014 precipitation to date was at 94% of average. The Colorado River Basin Forecast Center's Snow

Conditions Map dated February 3, 2014 highlights the geographic range that the snowfall has been occurring in. The Western areas of the Basin in Utah received 50-75% of average snowfall amounts and the Eastern areas of the Basin in Colorado received 110-125% of average snowfall amounts.

The National Weather Service's Monthly Precipitation Maps indicate December 2013 and January 2014 continued to demonstrate extensive areas of extreme drought within the Basin with the exception of small areas in Wyoming in December and in Colorado in January. The Drought Monitor map for California as of January 28, 2014 indicates that 97% of the State is in some level of drought and 67% of the State is at the extreme or exceptional drought levels.

On January 17, 2014 Governor Brown declared a drought State of Emergency and identified 20 separate actions that should be implemented to help address the drought conditions. Governor Brown attended a meeting at the Metropolitan Water District on January 30, 2014 to review the drought conditions. On January 31, 2014, the California Department of Water Resources announced a "Zero" percent allocation of water from the State Water Project for 2014 based on the current drought conditions and lack of sufficient reservoir storage and snowpack to meet even the 5% allocation that had previously been in place. In late January, the California Department of Water Resources released its Final State Water Action Plan, designed to guide the State government's efforts to improve water supply reliability and simultaneously enhance natural ecosystems. The Water Action Plan focuses on integrated regional water management plans and highlights opportunities for increased conservation. In December 2013, the Department of Water Resources mobilized its drought management team, led by Bill Croyle and Jeanine Jones, who have been actively working on drought issues within California for several years. The Department will issue weekly Drought Briefs to provide updates on current conditions and key action items taking place regarding the drought such as the US Department of Agriculture's Emergency Declarations in 53 California counties. (As of February 3, 2014, Imperial County was the only county not declared by the USDA as having drought emergency conditions). There are several types of State and Federal assistance that are available within California to help address the drought conditions, including a recent \$14 million WaterSMART grant opportunity that was announced by Reclamation Commissioner Mike Connor on February 5, that would be available for irrigation efficiency improvement projects within California. The application deadline for these grants is March 24, 2014.

The official accounting of the Lower Basin water uses, including deliveries to the Republic of Mexico, for calendar year 2013 will be compiled within the next few months in connection with the Arizona v. California Decree Accounting Report. At present, Reclamation has published preliminary data regarding the end of year water uses but adjustments are expected as the Decree accounting process advances.

COLORADO RIVER BASIN PROGRAM REPORTS

Status of the Colorado River Basin Water Supply and Demand Study

Over the past few months, all three workgroups (municipal conservation, agricultural conservation and environmental flows) have been working to finalize their respective data collection efforts. Data collection for the M&I and Ag Conservation workgroups concluded at the end of January. The data collected included, but was not limited to, annual water use data, conservation and reuse programs, and supplemental water use data throughout the Basin States. The data will be compiled to identify potential “best practices” for conservation and efficient water uses. The Environmental Flows workgroup has nearly completed a process to identify specific river reaches within the Basin that will be utilized to evaluate the ability for current modeling techniques and programs to analyze intream flow needs. All three workgroups have completed draft outlines for their respective Phase 1 reports, which will be reviewed by the Coordination Committee later this month. Meetings for each of the workgroups are scheduled in mid-February and early-March.

The Basin States are in the process of finalizing the Contributed Funds Agreement with Reclamation to provide 50% of the cost of the consulting work necessary for the Basin Study’s Next Steps Process.

Report on Minute 319 Implementation

On January 16, 2014, the Secretary of the Interior presented a “Partners in Conservation Award” to the participants from the U.S. and Mexico who assisted in the development and approval of Minute 319. The award provided an opportunity to travel to Washington, D.C., and to meet with representatives from the U.S. and Mexico who were involved in the agreement. The Secretary of the Interior provided special thanks and encouragement regarding the Minute 319 efforts and noted the special role that the Basin States played in moving things forward.

A draft Delivery Plan for Environmental Flows to the Colorado River Riparian Corridor Pursuant to Minute No. 319 was submitted to the IBWC on January 14, 2014. The transmittal memo confirms the role of the Basin States and MOA signatories with respect to interactions with Mexico on the Colorado River. The proposed Delivery Plan represents the efforts of federal, state, local and non-governmental entities in both countries and consists of a “schedule of monthly flows, delivery points and volumes in an amount of approximately 105,392 acre-feet” as required by Minute 319. The pulse flow is proposed for late-March and early-April of 2014. A ceremony hosted by the Mexican delegation/CILA is planned for March 28 at Morelos Dam.

Issues that were discussed in connection with consideration of the Delivery Plan included whether the pulse flow would cause any flooding damage in the U.S., especially in the Yuma, Arizona area, whether the flow parameters of the 1944 Treaty would be respected and whether we could anticipate how much water Mexico would be deferring delivery of in 2014. Reclamation will work closely with IID on the Delivery Plan details to ensure that the pulse flow will not disrupt regularly scheduled deliveries in the U.S.

DOI/Reclamation, IBWC, CILA and Basin State representatives are also working on a monitoring plan to evaluate the operational, hydrologic and ecological conditions relative to the pulse flow. The proposed Delivery Plan also includes a plan for delivery of a base flow of approximately 52,000 acre-feet of water that would be utilized between 2014 and 2017 to maintain active and passive restoration areas.

Minute 319 implementation workgroups are scheduled to meet in Tijuana on February 13-14 to continue to discuss details of a bi-national hydrology work plan to ensure the Mexican participants receive timely updates regarding hydrology and modeling, a potential bi-lateral connection between Mexico and the All American Canal and implementation of the proposed pilot projects in Mexico that would involve utilization of funding from the U.S. to pay for infrastructure improvements in Mexico to conserve Mexican water that will be converted to water for use within the U.S.

Status of the Colorado River Basin Salinity Control Program Work Group and Advisory Council

The Colorado River Basin Salinity Control Advisory Council met on December 11, 2013 in Las Vegas, NV. The regularly scheduled meeting in conjunction with the Salinity Control Forum meeting in October was canceled as a result of the federal government's shutdown last fall. In December, the Advisory Council approved recommendations for continued funding of the salinity control program by the Department of the Interior and the Department of Agriculture.

A small workgroup of Salinity Forum members has been formed to develop strategies to address the existing funding shortfall issues that the program is facing and to ensure the continued fiscal integrity of the Lower Basin Fund in maintaining an adequate revenue stream for implementation of the Salinity Control Program. The small group is looking at short term funding strategies as well as potential long-term structural fixes. Both approaches require consensus among the seven Basin States, Reclamation, and USDA, and could also require amendments to federal legislation.

Regarding funding for implementation of the Salinity Control Program in 2014, Reclamation anticipates expending approximately \$10 million through the Basinwide Program in 2014, which includes the Basin States' cost-share. BLM anticipates it will be allocated about \$750,000 for the Program through its Soil, Water and Air Program. NRCS anticipates its 2014 allocation will be just over \$12 million through the EQIP program, which was funded through the "Agricultural Act of 2014" signed by the President on February 7, 2014 through 2018.

The USGS has rescheduled the Pah Tempe Springs pump test for February 10-14. The first pump test was initiated in November 2013, but was halted by a high-flow rainfall event that caused damage to equipment and inhibited the ability to effectively draw-down the spring outfall. In the interim, the USGS and the Washington County Water Conservancy District have replaced the measuring equipment and added additional pumps and hope to be better able to dewater the highly saline spring flow during the test.

The Salinity Control Work Group is scheduled to meet in Phoenix, Arizona, on February 26-27. At this meeting, Work Group members will continue to work on preparation of the 2014

Triennial Review, review Reclamation's preparation of the Paradox Alternatives Studies and EIS process, review planning studies recently completed for the Lower Gunnison and Uinta Basins, and receive reports associated with 2014/2015 budgets and activities from each of the federal agencies. The next Salinity Control Forum meeting is scheduled for June 12-13 in Wyoming.

Glen Canyon Dam—Long-Term Experimental Management Plan EIS Process

The co-lead agencies, Reclamation and the NPS, continue their preparation of the draft EIS associated with the Long-Term Experimental and Management Plan (LTEMP). Currently, the co-lead agencies and Argonne National Laboratories are refining the models being used to evaluate the alternatives being considered for inclusion in the draft EIS. Additionally, the Department of the Interior Management Team has been working closely with all stakeholders regarding a potential next round of a "Structured Decision Analysis" (SDA) process that is being proposed to help evaluate alternatives. The process will help evaluate the relative values of various natural, physical, and cultural resources of the Glen and Grand Canyon reaches of the Colorado River below Glen Canyon Dam. DOI is proposing to conduct the SDA exercise in April.

The Glen Canyon Dam Adaptive Management Program's Technical Work Group met on January 28-30 for its annual Science Activities reporting meeting to receive presentations on the status and trends of native and non-native fish, results of a food web analysis study, and review the preliminary results of the November 2013 High Flow Experimental (HFE) Release. The Adaptive Management Work Group is scheduled to meet on February 19-20, 2014, in Tempe Arizona, to discuss the LTEMP EIS, results of the November 2013 HFE, current basin hydrology and operations, impacts to the Fiscal Year 2014 budget as a result of the sequestration, and a preliminary Fiscal Year 2015-16 budget and work plan.

Lower Colorado River Multi-Species Conservation Program

The Winter 2014 edition of the U.S. Fish and Wildlife Service's *Endangered Species News Bulletin* includes an article entitled "The Yuma Clapper Rail—A Marsh Bird in the Desert". This article provides an excellent overview of current Yuma clapper rail conservation efforts along the Colorado River and at the Salton Sea. The USFWS singles out the efforts of the LCR MSCP, work of the IID at the Salton Sea, and the Coachella Valley Multiple Species Habitat Conservation Plan, as well as the continued activities of the California Department of Fish and Wildlife at the Wister Unit. The USFWS states that the status of the Yuma clapper rail has improved since it gained federal protection in 1967, but that to ensure the long-term survival of this species these important conservation efforts must be continued. A copy of the article can be found at <http://www.fws.gov/endangered/news/episodes/bu-Winter2014/story5/index.html>.

A meeting of the LCR MSCP Technical Work Group has been scheduled for March 12, and will be held at the Hilton Garden Pivot Point Inn in Yuma, Arizona. This will be followed by a tour of the continuing restoration and revegetation work at the Laguna Habitat Conservation Area on March 13. The LCR MSCP Steering Committee will hold its next meeting on April 23 in Las Vegas, Nevada.

Update Regarding the Lower Colorado Water Supply Act, P.L. 99-655/P.L. 109-103

The Board packet includes a revised description of the Lower Colorado Water Supply Project for use as background information for entities who may be interested in obtaining a subcontract from the City of Needles through the project. The Project was originally authorized in 1986 as a mechanism to enable water users within California without contracts or with contracts for an insufficient amount of water to obtain Colorado River water rights for existing and future uses within California. The Project consists of well-field facilities in the Sand Hills area along the All-American Canal in Imperial County that are used to provide exchange water to offset the water uses through the Project. The purpose of the Project is to supply water for domestic, municipal, industrial, and recreational purposes. The Project authorization was amended in 2005 to authorize the Secretary of the Interior to enter into an agreement with the City of Needles for the design and construction of Stage II of the Project to add 5,000 acre-feet of capacity, and bring the Project to its full, 10,000 acre-feet authorized capacity. The 2005 amendments also authorize the Secretary to contract with additional entities who hold Section 5 contracts for municipal and industrial uses within the State of California for the use of any unused Project water. The Colorado River Board provides a screening function for Reclamation and evaluates whether a potential applicant for a subcontract through the Project meets the statutory eligibility criteria. To date, the total amount of water that has been allocated through the Project is approximately 5,875 acre-feet for current and future uses.

On December 31, 2013, the Bureau of Reclamation and the City of Needles finalized the agreement for the funding, design and construction of Stage II of the Project.

Additional Announcements and Notices

On February 7, 2014, Pat Mulroy officially retired and John Enstminger took over as the General Manager of the Southern Nevada Water Authority and the director of the Las Vegas Valley Water District. John had previously served as the senior deputy general manager and prior to that as general counsel for SNWA.

Effective January 24, 2014, Sandy Fabritz-Whitney announced her resignation as the Director of the Arizona Department of Water Resources. Mike Lacey, the current Deputy Director, will serve as the Acting Director pending the designation of a permanent replacement.

Tanya M. Trujillo
Executive Director