

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

September 8, 2015

ADMINISTRATION

Minutes of the August 12, 2015 Meeting of the Colorado River Board

The draft Minutes from the Board meeting held on August 12, 2015 are still being prepared by Colorado River Board staff and will be presented to the Board for approval during the October Board meeting.

COLORADO RIVER BASIN WATER REPORT

As of August 31, 2015, the water level at Lake Mead was almost exactly the same level as last month at 1,078.24 feet with 9.87 million acre-feet of storage, or 38% of capacity. The water level at Lake Powell was at 3,609.2 feet with 12.64 million acre-feet of storage, or 52% of capacity. As of August 30, 2015, the total system storage was at 30.88 million acre-feet, or 52% of capacity, which is about 753,000 acre-feet more than where the system storage was at this time last year. As of August 18, 2015, the April-July runoff inflow forecast was 6.7 million acre-feet, or 94% of average, which is over 50% higher than had been anticipated prior to the receipt of above-average precipitation starting in May. As of August 30, 2015, most of the Upper Colorado River Basin reservoirs, other than Lake Powell, were close to full capacity.

Lower Basin water use forecasts continue to reflect decreased water uses by irrigation districts in California and Arizona. Deliveries to Mexico are forecast to be 22,692 acre-feet above the 1.5 million acre-feet Treaty obligation as of August 31, 2015, and the amount of water forecasted to be bypassed to Mexico through the Welton-Mohawk bypass drain pursuant to Minute 242 is 145,462 acre-feet. Since January 1, 2015, 95,063 acre-feet of water has been cumulatively stored at Brock Reservoir as of August 27, 2015 and 82,247 acre-feet of water has been cumulatively stored at Senator Wash as of August 30, 2015.

Reclamation released the August 24-Month Study on August 17, 2015. Pursuant to the 2007 Interim Guidelines for the Coordinated Operation of Lake Mead and Lake Powell, the August projections are used to determine the operating tiers for Lake Powell and Lake Mead during 2016. Lake Powell's elevation on December 31, 2015 is projected to be 3,602.46 feet, which places it in the Upper Elevation Balancing Tier and specifies a release from Lake Powell of 8.23 million acre-feet during the 2016 Water Year, but there is the potential for the release to be increased up to 9.0 million acre-feet based on the April 24-Month Study projections of the Lake Powell and Lake Mead's elevations on September 30, 2016. Lake Mead's elevation on December 31, 2015 is projected to be 1,082.33, which places Lake Mead's operations in the ICS Surplus Condition tier, and does not require any shortages to be taken under the 2007 Interim Guidelines. Reclamation has also released the table of probabilities for reservoir elevations in 2017 through 2020, which indicates an 18% chance of a first tier shortage in 2017 and a 52% chance of shortage in 2018.

The third consultation for the 2016 Colorado River Annual Operating Plan was held in Las Vegas, NV on September 3, 2015 to receive final comments on the draft plan, which has incorporated the results mentioned above from the August 24-Month Study. Reclamation will continue to move the plan through the Department of the Interior's approval process and a final plan will be issued prior to December 31, 2015.

California Drought Update

The National Drought Monitor map indicates that during August 46% of the State continues to be in the "exceptional drought" category of drought. As noted during the August Board meeting, other factors influence the availability of water, including reservoir levels, which as of September 2, continue to be well below average throughout the State. On September 2, the State Water Resources Control Board announced that California's urban water suppliers had reduced water use by over 31 percent during July as compared to water use levels in 2013. Fire activity has continued to remain well above average and firefighters have responded to over 4,700 fires this year.

The Public Policy Institute of California issued a report in late August titled, "What is California's Drought Continues?" - http://ppic.org/main/publication_quick.asp?i=1160 - which contains a good summary of what the impacts of drought have been so far around the State.

COLORADO RIVER BASIN PROGRAM REPORTS

Basin States Drought Contingency Planning

The State of Arizona and the Central Arizona Project continue to seek approval from the parties to the 2007 Lower Colorado River Intentionally Created Surplus Forbearance Agreement of a new program within Arizona to create Extraordinary Conservation ICS. CAP and ADWR made presentations to the Colorado River Board of California in November 2014 and April 2015 regarding the details of the proposal and have asked the California parties to move forward with consideration of the request as soon as possible. The Southern Nevada Water Authority and the Colorado River Commission of Nevada approved the program in May. CVWD and PVID have taken action to approve the agreement. The Boards of MWD and IID have heard informational presentations and action on the proposal is anticipated later this month. The City of Needles is expected to take action on the proposal in the near future. CAP and ADWR estimate that the new program could generate up to 95,922 acre-feet of conserved water in 2015 and a similar amount in 2016.

The Bureau of Reclamation has continued to implement the Pilot System Conservation Agreement in the Lower Basin and it is anticipated that additional contracts will be finalized in September. In the Upper Basin, the Upper Colorado River Commission is overseeing the program and has approved an initial round of system conservation proposals. Pursuant to congressional authorization approved in connection with last year's Consolidated Appropriations Act, Reclamation will prepare a report summarizing the results of the pilot program by the end of 2018.

In late-March 2015 Reclamation and the Arizona Department of Water Resources established a Bypass Flows Work Group to evaluate potential options for replacing the saline drainage flows from the Wellton-Mohawk Irrigation and Drainage District and Yuma area that are conveyed to Cienega de Santa Clara via the Bypass Drain. Typically, drainage flows that are

bypassed to the Cienega in Mexico annually total between 110,000 acre-feet and up to about 125,000 acre-feet. In 2014, nearly 145,000 acre-feet of water was bypassed. The goal of the process is to identify options that collectively will conserve at least 100,000 acre-feet of water annually in Lake Mead by reducing, replacing, or recovering a like amount of the bypass flow in a fiscally, legally, binationally and environmentally responsible manner. Sub-objectives are: (1) that there would be no involuntary impact to any contract holders' full use of its respective entitlement; (2) that the impact of any proposed solution should not be borne by any single user, priority, or sector; (3) that any proposed solution must be consistent with the Law of the River; (4) that the goal is to achieve a potential water supply at a reasonable cost and preferably within five years (i.e., within the timeframe of the December 2014 MOU); and (5) should prioritize achieving bypass flows reduction/offset during low reservoir conditions. The Work Group includes representation from the Colorado River Board of California and from Nevada in addition to representatives from CAP, Arizona agricultural contractors and NGOs who are interested in impacts of reduced bypass flows on the Cienega.

To date, the Bypass Flows Work Group has met three times, the latest being on August 25, 2015 in Phoenix, Arizona. At that meeting, the Work Group reviewed sample options that could likely be utilized in some combination to offset or replace the current drainage flows being bypassed to the Cienega in Mexico. Generally, there are four categories of options: (1) various permutations associated with operation of the Yuma Desalting Plant (YDP); (2) leveraging local groundwater supplies, including pumping of the Minute 242 Wellfield; (3) system conservation projects; and (4) engagement with Mexico in a range of binational options. It is likely that any proposed recommendation will require consultation and negotiation in the context of binational discussions with Mexico. Reclamation is in the process of compiling information associated with pumping at the Minute 242 wellfield and other operational modeling. The next meeting of the Bypass Flows Work Group has been scheduled for October 26 in Yuma, Arizona.

Colorado River Basin Salinity Control Program

The Work Group Salinity Damage Model Subcommittee held a workshop on August 17 in Denver, Colorado, to review the salinity damages model. Reclamation reviewed some of the improvements made to the model and the Subcommittee discussed data gaps that need to be filled in, including data from Arizona and Nevada. There is an on-going effort from Arizona and California to include data from on-river water users and in California to include counties outside of MWD service area in the model. Board staff is working with Reclamation to find data gaps for areas outside of MWD service area that receive Colorado River water, and will seek assistance from agencies for information to fill in those data gaps. The Subcommittee plans to reconvene in November or December to discuss the update progress. Reclamation is currently working on a Scope of Work to bring a contractor on-board in January of next year to update the model. The contractor will be tasked to complete a literature review, develop cost functions based on the literature review, and create an updated working model.

The Work Group will meet on September 22-24 in Glenwood Springs, Colorado, with the cooperating agencies involved with the EIS preparation for the Paradox Well Replacement project meeting on September 21 in Grand Junction, Colorado. The next Forum meeting will be held in October 28-29 in Tucson, Arizona.

Status of the implementation of Minute 319

On August 13, 2015, the binational group focused on discussion of a successor agreement to Minute 319 met at the IBWC offices in San Isidro, CA, and a follow up meeting is scheduled for September 10-11 in Tijuana, Mexico. Binational workgroups will be created to help guide the negotiations on areas such as system operations, binational conservation projects and environmental projects.

Status of the Glen Canyon Dam Adaptive Management Program

On August 17, 2015, the Secretary of the Interior finalized the Annual Report to Congress regarding the Operations of Glen Canyon Dam Pursuant to the Grand Canyon Protection Act of 1992 for 2014-2015. The report summarizes the operations and activities undertaken over the past year and is included in the Board packet.

The Adaptive Management Work Group of the Glen Canyon Dam Adaptive Management Program met August 26-27 in Tempe, AZ. The group approved recommendations to the Secretary of the Interior for the 2016 hydrograph and Program budget and work plan. Scientists provided updates on Grand Canyon resources, including native and nonnative fish, sediment, and the Gold King Mine spill. Humpback chub detections and spawning numbers were significantly lower this year than in previous years, with the number of sub-adult fish detections just barely above the trigger point of 910 fish. Fish conditions have declined over 3 of the last 4 sampling trips. Researchers believe detections were low because fish did not spawn this year and that the low fish counts are not necessarily indicative of real population declines. Translocations of humpback chub into Grand Canyon tributaries over the past several years have been successful, with a stable and reproducing population now found in Havasu creek.

Currently, sediment below Glen Canyon Dam is not sufficient for a fall high flow experiment (HFE), but rainstorms in the next few months may provide enough sediment input to trigger one. Researchers for the Program were also monitoring the plume of toxic water released on August 5 from the Gold King Mine in southwestern Colorado. The plume moved down the San Juan River toward Lake Powell and was estimated to have reached the Utah border on August 9-10, although it had been so diluted that it could not be detected. Evidence indicates that even at peak concentration, the increase in metals from the spill posed minimal threat to drinking water, recreation, fish and wildlife, and agriculture.

While carrying out routine sampling in early July, researchers discovered an unprecedented number of green sunfish, a high-risk non-native predatory fish, in a backwater several miles below Glen Canyon Dam. Detections of the fish in the past have been rare, with only 80 green sunfish captured over the past 40 years. In early August, biologists carried out the first of three trips to remove the fish from the area and removed approximately 1,000 green sunfish. A second removal trip was also carried out in mid-August and scientists are discussing what the appropriate follow up steps may be.

Tanya Trujillo participated in a panel with Tom Buschatzke and Jayne Harkins regarding Lake Mead Issues and Lower Basin Shortage Preparedness. During the presentation Mr. Buschatzke reported that Arizona is prepared to handle reduced allocations of Colorado River water if a shortage is declared within the next few years.

AMWG representatives received a brief update on the draft of the Long-Term Experimental and Management Plan (LTEMP) EIS recently released to cooperating agencies. Cooperating agencies must provide comments by September 30, and the Department of the Interior hopes to have a public draft released in December 2015, and will provide a 60 day comment period after that.

The Technical Work Group plans to meet on October 20-21 in Phoenix, AZ.

Status of the Lower Colorado River Multi-Species Conservation Program

The Arizona Supreme Court will review the June 11 district court ruling that struck down the Arizona Department of Water Resources's administrative decision approving the MSCP's Planet Ranch acquisition in response to objections that Mohave County would be adversely impacted by the acquisition.

The Work Group will meet on September 30 in Las Vegas, NV, and the Steering Committee plans to meet on October 28. Topics for discussion on September 30 include revisions to the Fish Augmentation Plan, options for MSCP coverage for the Northern Mexican Gartersnake, and updates regarding the potential changes in MSCP permittees as a result of revised Hoover Power Contracts after 2017.

ANNOUNCEMENTS

The Bureau of Reclamation has been tasked to do an independent investigation of the August 5, 2015 accidental discharge of mining contaminants into the Animas River, a tributary of the San Juan River, which is a major tributary of the Colorado River. <https://www.doi.gov/pressreleases/pressreleases/bureau-reclamation-lead-interior-department's-independent-review>

On September 2, 2015, Governor Brown announced the appointment of Bruce Wilcox to be the Assistant Secretary for Salton Sea policy at the California Natural Resources Agency. Mr. Wilcox has been the manager of environmental and Salton Sea programs at the Imperial Irrigation District since 2008. Natural Resources Agency Secretary John Laird stated:

“The situation at the Salton Sea demands urgency. This fall, under the leadership of Bruce Wilcox, the State of California will advance an effort with state, federal, and local stakeholders to develop a comprehensive framework for Salton Sea management. The multi-agency effort's goals will be to protect air quality, habitat, and water supply reliability at the Salton Sea and in the region.

I applaud the willingness of the Imperial Irrigation District and the Salton Sea Authority to step forward and develop a framework to manage up to 30,000 acres of exposed seafloor. Bruce's central involvement in the development of these plans and continued work with key stakeholders at the Sea will be invaluable in finding solutions to protect the people of the region and water supply reliability of the state.”

The Colorado Basin River Forecast Center has scheduled a Stakeholder Forum on October 20, 2015 in Salt Lake City and by webinar and on October 21 they will host a 2015 Water Supply Verification Webinar. <http://www.cbrfc.noaa.gov/present/2015/forum/2015forum.htm> The Forecast Center provides information to the Bureau of Reclamation for use in developing the 24-Month Study, among other information.

The Water Education Foundation will hold its Colorado River Symposium on September 16-18 in Santa Fe, New Mexico. Presenters from California include Jeanine Jones, Maureen Stapleton, Pete Silva, Jeff Kightlinger, and Tanya Trujillo. The theme for this year's conference is Historic Drought 2000-2015: A Catalyst for Innovations.

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Executive Director