

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

June 14, 2016

ADMINISTRATION

Minutes of the May 11, 2016 Meeting of the Colorado River Board

A draft of the Minutes from the Board meeting held on May, 2016 has been circulated for review.

Approval of the Budget for Fiscal Year 2016-17 and authorization of the Executive Director to execute the Standard Agreement with the Six Agency Committee

The Standard Agreement No. 49 between the Colorado River Board of California and the Six Agency Committee is included in the Board packet. The form is identical to the prior year's agreement and specifies the current reimbursement total of \$2,071,000 pursuant to the Governor's budget for Fiscal Year 2016-17 for the Colorado River Board. The budgeted amount covers the personnel and operating expenses for 11 staff members (including 2 vacancies), and includes payments on behalf of the State of California for programs such as the Colorado River Basin Salinity Control Forum and the Multi-Species Conservation Program, payment of rent and utilities and other operational expenses. Pursuant to the Standard Agreement, the Six Agency Committee reimburses the State for 100% of the cost of the expenses for the Colorado River Board.

COLORADO RIVER BASIN WATER REPORT

As of June 6, 2016, the water level at Lake Mead was at 1,073 feet with 9.46 million acre-feet of storage, or 36% of capacity, again representing the lowest elevation level at Lake Mead since it was originally filled. At Lake Powell, the water level was at 3,606 feet with 12.30 million acre-feet of storage, or 51% of capacity. The total system storage as of June 5 is 30.37 million acre-feet, or 50% of capacity, which is about 670,000 acre-feet greater than where the system storage was at this time last year. As of June 5, 2016, the Upper Colorado River basin reservoirs other than Lake Powell ranged from 92% of capacity at Morrow Point in Colorado and Navajo Reservoir in New Mexico, to 91% of capacity at Flaming Gorge and 76% at Fontenelle in Wyoming. As of June 3, 2016, the April-July runoff forecast for the Upper Colorado River basin is estimated to be 91% of average and the Upper Basin snowpack was 155% of average with approximately 100% precipitation recorded to date for this water year. As of June 3, 2016 the forecasted unregulated inflow into Lake Powell for WY 2016 is 9.7 million acre-feet, or 90% of normal.

Reclamation released the final 2015 AZ v. CA Decree Accounting Report - <http://www.usbr.gov/lc/region/g4000/4200Rpts/DecreeRpt/2015/2015.pdf> - and Colorado River Board will present details regarding the accounting during the June 15 meeting.

COLORADO RIVER BASIN PROGRAM REPORTS

Basin States Drought Contingency Planning

As has been previously reported, the Basin States have been meeting over the past few years in coordination with the Department of the Interior to address the potential for continued declining elevation levels at Lake Powell and Lake Mead. With respect to the Lower Basin discussions, as a follow up to the December 2014 Memorandum of Understanding among the Lower Basin States and major water users, the Lower Basin States have been working to develop additional agreements that can supplement the 2007 Interim Guidelines to enable more water to be saved in Lake Mead in order to decrease the likelihood that Lake Mead will drop below elevation 1,020 and to provide increased flexibility for water users during low reservoir conditions. No agreements have been reached among the States and discussions are expected to continue throughout the rest of the year.

Discussions are currently occurring within each Lower Basin State to access the possibility of moving forward with a conceptual drought contingency plan that contains several basic goals: developing additional tools to continue to protect and implement the 2007 Interim Guidelines and the Quantification Settlement Agreement; protecting against Lake Mead hitting critically low elevation levels; adding flexibility to operations during low reservoir levels and encouraging/incentivizing additional storage in Lake Mead; additional reductions/contributions of water for each of the Lower Basin States; contributions by the U.S. to contribute water to Lake Mead and stabilize the system along the lines of the concepts that have been developed through the Bypass Flows workgroup and other programs.

Colorado River Basin Salinity Control Program

CRB staff participated in a Paradox Valley Unit (PVU) Alternative EIS cooperating agency call on June 1, 2016 to hear updates from Reclamation regarding its analyses of three alternatives for the Paradox Valley Unit EIS. Four recent studies addressed issues associated with an evaporation pond alternative. For the 2nd well alternative, Reclamation continues to work on characterizing the geology and subsurface conditions to determine the best location for a second injection well. For the brine crystallization alternative, Reclamation would like to develop a demonstration project, which would delay the completion of the EIS until September 2019, but would provide infrastructure that could be utilized if that disposal technology is selected as the preferred alternative. Reclamation reported that it has sufficient funding available to complete the EIS within the estimated budget and schedule. In the event that the current well fails prior to finalization of the EIS, Reclamation proposes a contingency plan of seeking an emergency approval to drill a replacement well.

The Salinity Control Forum and Advisory Council met on June 8-9 in Keystone, Colorado, with the Work Group meeting the prior two days. Tanya Trujillo was selected as the first female Chairperson for the Salinity Forum, and Eric Millis of Utah's Department of Water Resources, was selected as the incoming Vice-Chair. During the meeting, Reclamation reported that the PVU injection well continues to dispose of about 100K tons of salt annually. The minimum and maximum injection pressures continue to be stable over the past year although there has been an increase in recent months in the number of seismic events. The 2017 Triennial review modeling scenarios are being developed and the first draft of the modeling results will be presented to the

Forum at the October 26-27 meeting. A Paradox celebration event is planned for the October meeting to commemorate the 20th year of operation of the project.

NRCS reported that the 2017 application process for Regional Conservation Partnership Program (RCPP) has begun. Initial proposals were due May 10, and NRCS will invite certain applicants to submit full proposals by September 19, after which projects for 2017 funding will be selected. A draft video describing the Colorado River Basin Salinity Control Program was shown to the Forum and comments were solicited. The video describes the Colorado River Basin Salinity Control Program, including the causes of salt load increases in the River, the impacts of high salinity levels, and the success and continuing need for the program. The video includes photos of salinity damages to agriculture, municipal/industrial use, and the environment in both the Upper Basin and the Lower Basin. Work Group members will work on incorporating the additional comments received during the meeting, including creating a trailer for the video and developing a strategy for releasing the video.

Status of the implementation of Minute 319

The bi-national negotiating group that is evaluating options for the potential successor to Minute 319 met on May 24-26 in Mexico City, Mexico. The group reviewed final reports from the bi-national workgroups that will help guide the negotiations. Mexico's participation in drought contingency planning efforts to increase and protect Lake Mead's elevation levels has continued to be a topic of the bi-national discussions. Because of recent turnover within the Mexican delegation, an informal discussion regarding elements of the Law of the River and basic hydrology and operational background will take place in Salt Lake City on June 16-17 and Reclamation will also host a tour for the Mexican delegation of several of the Upper Basin facilities. During the negotiations in Mexico City, a small group was formed to develop recommendations for the bi-national negotiation group regarding options for completion of a successor Minute during 2016. Elements under discussion include whether to extend or expand the current provisions of Minute 319 through 2026 so that the new Minute would coincide with the timeline of the 2007 Interim Guidelines. The next bi-national negotiation group meeting is scheduled for July 5-6 in Washington, DC.

Status of the Glen Canyon Dam Adaptive Management Program

The Glen Canyon Dam Adaptive Management Program Work Group held a webinar meeting on May 25. The group received an update on the progress of the Long-Term Experimental and Management Plan (LTEMP) EIS. The Department of the Interior received approximately 3,000 comments on the document and is currently working to incorporate them, with a final EIS expected by August 30 and a Record of Decision by September 30. The new EIS will guide water releases from Glen Canyon Dam. The Technical Work Group will meet on June 14-15 in Salt Lake City, UT and is expected to approve a FY17 budget, work plan, and hydrograph recommendation. The AMWG will meet next on August 24-25 in Flagstaff, AZ.

Status of the Lower Colorado River Multi-Species Conservation Program

The Lower Colorado River Multi-Species Conservation Program (LCR MSCP) held a work group meeting May 11-12 in Phoenix, AZ to discuss FY15 accomplishments and FY16 and FY17 activities and expenditures. Researchers reported that the number of territories and nesting pairs of

threatened yellow-billed cuckoos using LCR MSCP conservation areas in FY15 exceeded previous records, totaling 48 confirmed territories, with at least 43 young cuckoos successfully fledged. FY15 also saw the first confirmed southwestern willow flycatcher establishing a territory at a LCR MSCP conservation area south of the Bill Williams River. The USFWS is currently undertaking a 12-month status review of the southwestern willow flycatcher to evaluate whether the species should be downlisted or delisted. The group also discussed the new properties entering the program, including Planet Ranch and properties in California which will contribute toward the requirements of the program's CESA permit. Finally, the LCR MSCP will hold a Steering Committee call on June 22.

ANNOUNCEMENTS

(a) On June 10, 2016, the Department of the Interior announced the award of \$30 million toward Title XVI WaterSMART grants in California. The program promotes water and energy efficiency and water reuse. Grant recipients included the City of Corona, the City of San Diego, the Eastern Municipal Water District, the Padre Dam Water Recycling Facilities and the Sweetwater Authority Water Reclamation project. Additional WaterSMART grant award announcements are expected later in June and an event highlighting coordination within the Colorado River Basin between the Department of the Interior's WaterSMART grants and the Department of Agriculture's EQIP and RCCP grant program is expected to occur in late June.

(b) On June 13, 2016, the Metropolitan Water District of Southern California celebrated the 75th anniversary of the delivery of water through the Colorado River Aqueduct to Southern California. The event highlighted the engineering and construction accomplishments associated with the aqueduct and the importance of the imported water supply to Southern California's metropolitan area. Details relating to the anniversary can be found on MWD's website at: <http://www.mwdh2o.com/WhoWeAre/History/75years>, which includes a link to "live Tweets" from historical figures who were involved with the project such as construction engineers, nurses, and lawyers who "documented" the conditions while working on the project.

(c) Colorado River Board staff will continue to monitor the Utah Department of Water Resources's license application for the Lake Powell Pipeline to the Federal Energy Regulatory Commission (FERC). The Lake Powell Pipeline would withdraw approximately 86,000 acre-feet of Utah's Colorado River apportionment from Lake Powell at full utilization (estimated to be 2052) to serve communities in southwestern Utah. The NEPA process is estimated to be completed in 2018, with construction anticipated by 2020. The application is available online under docket number P-12966-004 at <http://elibrary.ferc.gov/idmws/search/fercgensearch.asp>. One issue to be raised in connection with comments regarding the proposal is a requirement that Utah should obtain Congressional approval for the use of Upper Basin water in the Lower Basin, similar to the provision that was enacted in connection with the approval of New Mexico's Navajo Nation water rights settlement agreement.

(b) The Senate Energy Committee's Water and Power Subcommittee held a hearing on May 17 on several bills, including Senator Feinstein's pending drought bill (S. 2533) and S. 2902, introduced by Senators Flake, Barrasso, McCain, Risch, Heller, and Daines, that contains a Colorado River Basin related provision in Section 104 that would restrict the Secretary of the Interior's ability to allocate water stored in Lake Mead pursuant to the System Conservation

Program or the MOU to any water users in the Lower Basin during the year the water was originally conserved. Board staff submitted a comment for the record objecting to Section 104 as being an unnecessary interference with the Colorado River Basin operations. No mark-up hearing has yet been scheduled for the bills heard on May 17, and it is hoped that the objectionable provision in Section 104 of S. 2902 will not be included in any bill that moves forward out of the Committee.

Tanya M. Trujillo
Executive Director