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

August 12, 2020

ADMINISTRATION

Meeting Minutes, June 10, 2020

The draft minutes for the meeting of the Colorado River Board of California have been prepared and included in the Board packet of materials and are proposed to be adopted during the August 12th Board meeting.

COLORADO RIVER BASIN WATER REPORT

As of August 3rd, the water level at Lake Powell was 3,606.00 feet with 12.33 million-acre feet (MAF) of storage, or 51% of capacity. The water level at Lake Mead was 1,084.57 feet with 10.39 MAF of storage, or 40% of capacity. As of August 2nd, the total system storage was 30.58 MAF, or 51% of capacity, which is about 2.2 MAF less than system storage at this same time last year.

As of August 3rd, the Upper Colorado River basin reservoirs, excluding Lake Powell, ranged from 95% of capacity at Fontenelle Reservoir in Wyoming; 88% of capacity at Flaming Gorge Reservoir in Wyoming and Utah; 94% of capacity at Morrow Point and 67% of capacity at Blue Mesa Reservoir in Colorado; and 76% of capacity at Navajo Reservoir in New Mexico.

As of August 3rd, the forecast for the unregulated inflow into Lake Powell for Water Year 2020 is 6.33 MAF (58% of normal). The forecasted April to July 2020 runoff into Lake Powell for Water Year-2020 is 3.73 MAF (52% of normal). The July observed Lake Powell inflow was 0.26 MAF (24% of normal), and the August Lake Powell inflow forecast is 0.26 MAF (53% of normal). To date, the Water Year-2020 precipitation is 83% of normal.

2021 Colorado River Annual Operating Plan, Second Consultation

Board and CRB member agency staff participated in the second consultation meeting for the development of the 2021 Annual Operating Plan (AOP) for Colorado River Reservoirs held via webinar on July 23, 2020, to provide an overview of the draft 2021 AOP and accept comments from stakeholders. The 1968 Colorado River Basin Project Act (P.L. 90-537) requires that the

Secretary of the Department of the Interior prepare a report documenting the actual operations for the previous water year and projected operations for the upcoming water year. Based on the operating criteria established within the 2007 Interim Guidelines, the August 24-Month Study Report projections for January 1st elevations in the following year sets the operational tiers for the coordinated operations of Lakes Powell and Mead.

Based on the April and June 2020 24-Month Study Report Study and the most probable inflow scenario, the projected operational tier for Water-Year 2021 for Lake Powell is the Upper Elevation Balancing Tier with the most probable release of 9.0 MAF from Glen Canyon Dam. It was determined that the most probable operational tier for Lake Mead is the Normal or ICS Surplus Condition. However, as mentioned above, it is the August 2020 24-Month Study Report results that will determine the official operating tiers for Lakes Powell and Mead, and this information will be updated and documented in the final version of the 2021 AOP. The current draft of the proposed 2021 Annual Operating Plan for Colorado River Reservoirs can be accessed and viewed online at: https://www.usbr.gov/uc/water/rsvrs/ops/aop/AOP21_draft.pdf.

The final AOP consultation meeting is currently scheduled to be held via webinar on September 3rd, at 10:00 am PDT.

August 24-Month Study Report

Reclamation is hosting a webinar to roll-out the results of the most probable August 2020 24-Month Study on Friday, August 14 at 10:00 am PDT. Pursuant to the Interim Guidelines, the August 2020 24-Month Study projections of the January 1, 2021, system storage and reservoir water surface elevations set the operational tier for the coordinated operation of Lake Powell and Lake Mead during 2021. The August 24-Month Study also sets operational targets for Lake Mead pursuant to the Lower Basin Drought Contingency Plan (DCP) Agreement.

COLORADO RIVER BASIN PROGRAM UPDATES

Minute No. 323 Implementation

Status of the Environmental Work Group

The Environmental Work Group (EWG) for Minute No. 323 met via webinar on July 21st. The group discussed the environmental water delivery plan for Water Year-2021. Minute No. 323 directs 210,000 af of water to be supplied equally by non-governmental organizations (NGOs), the U.S. federal government, and the Mexican federal government over the life of the Minute. Through WY-2020, only the NGO water supplies have been available to support the maintenance and creation of habitat in the Colorado River Delta. The EWG discussed requesting Mexican federal

water for WY-2021, with the idea that approximately 35,000 af, or half of the water Mexico has committed to provide under the Minute, would be delivered through irrigation canals into the river channel in Reach 4 of the Delta. This region has a significantly higher groundwater table than other areas and is home to the majority of the habitat that has been established under Minute Nos. 319 and 323. The Mexican section of the International Boundary and Water Commission, known as CILA, will assess the proposal and determine whether water is available to meet the request. Coping with the COVID-19 pandemic has proved a complicating factor and has limited monitoring and restoration activities associated with the water delivery. The EWG continues to monitor the current status of the pandemic in the context of its potential request for federal water for Minute No. 323 habitat maintenance and restoration activities.

The EWG also discussed the proposed Restoration Plan for 2021, which includes restoration of new habitat and maintenance of existing habitat sites. Approximately 180 acres of habitat are being constructed in 2020-2021, with an additional 111 acres planned for 2021. Habitat types being proposed for restoration include open water, cottonwood/willow, mesquite, and upland vegetation.

Finally, the next meeting of the EWG will be held on August 25th.

Colorado River Basin Salinity Control Program

Status of the Paradox Valley Environmental Impact Statement

The Paradox Valley salinity control unit (PVU) is one of the original salinity control projects authorized under Title II of the 1974 Colorado River Basin Salinity Control Act (P.L. 93-320, as amended). The PVU is comprised of a series of brine collection wells and a deep injection disposal well that has prevented approximately 100,000 tons of salt each year from entering the waters of the Colorado River until its closure in March 2019 due to seismic activity. Reclamation identified four PVU replacement alternatives in the Draft EIS released on December 6, 2019, including: A) No Action, B) New Injection Well, C) Evaporation Ponds, and D) Zero Liquid Discharge at locations shown in Figure 1.

Reclamation released the Administrative Draft of the Final EIS on April 17, 2020, for a 30-day review by the cooperating agencies. At the request of the Basin States cooperating agencies, Reclamation granted additional comment extensions to June 22, 2020. As one of the cooperating agencies for California, the Board has coordinated the preparation of consensus-based comments with cooperating agencies from the other six basin states. The Final EIS is scheduled for release in mid-August 2020, with a Record of Decision in late September 2020.

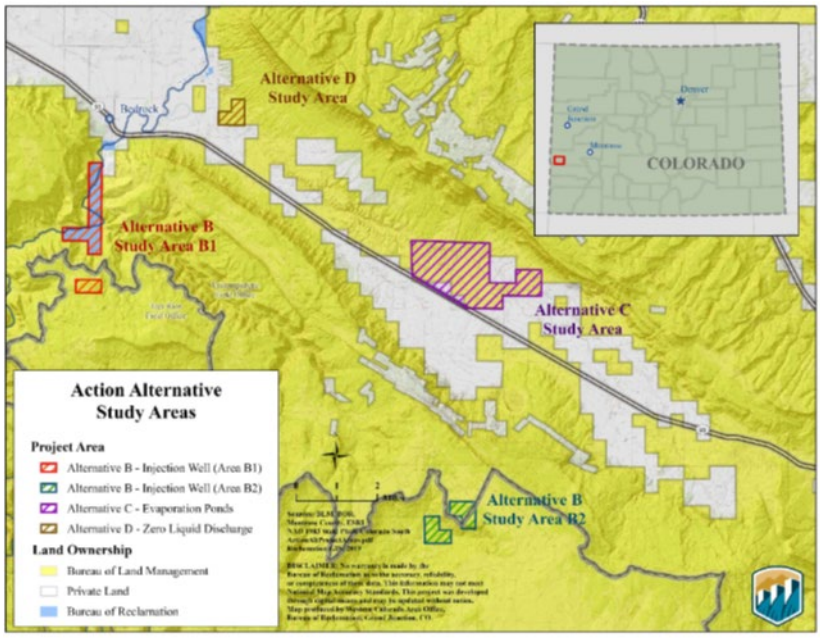

Figure 1. PVU Alternative Locations

Suspension of Brine Injection at Paradox Valley

Reclamation resumed operation of brine-water injection operations at PVU for a six-month test on April 21, 2020. However, on May 29, 2020, Reclamation suspended operations of the PVU six-month injection test, while it sought an outside contractor's review of the brine injection test procedures and protocols. On July 31, 2020, Reclamation published a peer-reviewed technical memorandum of the analysis of the March 4th, 2019, M 4.5 earthquake at the PVU. This report provides detailed analysis of the earthquake event, site conditions, and mitigation strategies for reducing the likelihood of future significant earthquakes at PVU when brine injection resumes. The analysis indicates that maintaining brine injection rates of 60-69% of the rate that was being used prior to March 2019 would keep pore pressures significantly below pressures experienced at the March 4th earthquake location. Reclamation has indicated that it doesn't expect a decision regarding the resumption of brine injection at PVU before November 2020.

<u>Status of the Glen Canyon Dam Adaptive Management Program</u>

The Technical Work Group (TWG) for the Glen Canyon Dam Adaptive Management Program met via webinar on June 23-24. The group discussed the draft Triennial Work Plan and Budget for FY 2021-2023. The work plan directs approximately $11 million in funding per year for program management, tribal projects, and research and monitoring efforts below Glen Canyon Dam. The draft FY 2021-2023 work plan includes ongoing monitoring for native fish, sediment,

cultural and tribal resources, nonnative fish, and aquatic insects. The budget includes increased funding to study the population dynamics of brown trout, a highly predatory nonnative species that has recently increased dramatically in the Lees Ferry area, and the population of endangered humpback chub in the Western Grand Canyon, which has increased significantly since 2014.

The TWG recommended approval of the FY 2021-2023 Triennial Work Plan, which will be evaluated and potentially adopted by the Glen Canyon Dam Adaptive Management Work Group at its August 19-20 meeting that will be held by webinar.

Status of Lower Colorado River Multi-Species Conservation Program

The Steering Committee for the Lower Colorado River Multi-Species Conservation Program (LCR MSCP) met via webinar on June 24th. The group considered and approved the Final Implementation Report, FY-2021 Work Plan and Budget, FY-2019 Accomplishment Report. This plan describes the activities implemented in FY-2019, those underway in FY-2020, and those planned for FY-2021. It also includes a description of the covered activities that occurred in FY-2019. During the call, the U.S. Fish and Wildlife Service (USFWS) expressed concern regarding the changes in flow, i.e., specifically the reductions in flow below Hoover Dam, that occurred in 2019, and a small group was formed to follow up with the USFWS and clarify the 2019 flow-related activities and develop a more rigorous annual monitoring process to track reductions in flow in each of the LCR MSCP reaches of the Lower Colorado River. The Final Implementation Report has been posted on Reclamation's LCR MSCP webpage at https://www.lcrmscp.gov/workplans/imp_2021.pdf.

Status of the Development of the Next Set of Interim Operating Guidelines

Effectiveness Review of the 2007 Colorado River Interim Operating Guidelines

As has been reported previously, Reclamation is currently conducting an "effectiveness review" of the 2007 Colorado River Interim Guidelines for Lower Basin Shortages and the Coordinated Operations of Lake Powell and Lake Mead (2007 Interim Guidelines). The effectiveness review is required pursuant to Part G, Section 7, Subsection D of the 2007 Interim Guidelines. The review is intended to evaluate the effectiveness of the guidelines with respect to the purposes and operational elements of the 2007 Interim Guidelines. For example, one of the stated purposes of the guidelines is to improve Reclamation's management of the Colorado River by considering trade-offs between the frequency and magnitude of reductions of water deliveries, and considering the effects on water storage in Lake Powell and Lake Mead, and on water supply, power production, recreation, and other environmental resources.

Public outreach for the 7.D. review was initiated with webinars held on March 24 and 31, 2020, during which Reclamation provided a high-level overview of the review process, scope, and schedule. Reclamation expects to release a preliminary draft of the effectiveness review report in August 2020 for public comment with comments due in September 2020. The final effectiveness review report is expected to be released in time for the Colorado River Water Users Association meeting in December 2020.

Updating the 2007 Interim Operating Guidelines

Board staff continues its preparations and working with the California agencies related to the eventual engagement with the Basin States and other stakeholders regarding the process to develop the next set of Colorado River System interim operating guidelines. Board staff have met, via webinars, with member agency technical staff; and continue to collect, analyze and prepare topical issue technical information, data, and discussion papers; working with the agencies to identify critical needs; and the development of modeling expertise and experience in the utilization of Reclamation's CRSS model. Finally, Board staff continue to track ongoing related activities of the other six Basin states, agencies, and other stakeholder groups.

GENERAL ANNOUNCEMENTS AND UPDATES

Lake Powell Pipeline Project Environmental Impact Statement

On June 8, 2020, Reclamation released the Notice of Availability of the draft Environmental Impact Statement/draft Resource Management Plan Amendment (DEIS) for the Lake Powell Pipeline Project (LPP). Reclamation is seeking public comment on the DEIS during a 90-day public comment period that will close at 11:59 pm MDT on September 8, 2020. As you may recall, Board staff previously submitted preliminary scoping comments on January 10, 2020, in a letter to Reclamation for the LPP project proposed by the Utah Board of Water Resources (UBWR).

The proposed LPP project is a 140-mile, 69-inch-diameter water delivery pipeline that would begin at Lake Powell, located in the upper basin of the Colorado River, and terminate at Sand Hollow Reservoir near St. George, Utah, located in the lower basin of the Colorado River. The UBWR proposes building the LPP in order to convey up to approximately 86,000 acre-feet of additional water supplies to Washington County in extreme southwestern Utah to meet future water demands, diversify the regional water supply portfolio, and for water supply reliability enhancement. Board staff maintain that Congressional authorization will be required to address the movement of water between the two basins and ensure proper water delivery accounting in order to implement the LPP project.

Board staff anticipate working closely with the agencies to develop comment responses regarding the DEIS. Staff have included in the Board packet a preliminary overview of the LPP with initial findings from the DEIS. Additional information about the LPP project is available online at:
https://www.usbr.gov/uc/DocLibrary/EnvironmentalImpactStatements/LakePowellPipeline/index.html

Salton Sea Management Program

On August 19, 2020, the State Water Resources Control Board will conduct a webinar-based public workshop on the Phase I 10-Year Salton Sea Management Program. Information updates will be provided by state agencies implementing the program and there will be an opportunity for the public to comment on the 2019 Annual Report released on February 24, 2020. Specific updates will be provided on: (i) completed projects and milestones achieved in the prior year; (ii) amount of acreage of completed projects that provide dust suppression and habitat restoration, broken down by habitat type; (iii) upcoming projects to be completed and milestones to be achieved prior to the next annual progress report; (iv) the status of financial resources and permits that have not been secured for future projects; (v) any anticipated departures from the dates and acreages, and; (vi) progress toward development of the long-range plan. The 2019 Annual Report is available online at the link below. Board staff are reviewing the 2019 Annual Report to consider potential comments, and CRB agencies are encouraged to independently review the report.

https://saltonsea.ca.gov/wp-content/uploads/2020/02/2020-Annual-Report_2-21-20-v3.pdf

California's Water Resilience Report

On July 28, 2020, Governor Newsom released California's final Water Resilience Portfolio. The portfolio serves as the Administration's blueprint for equipping California to cope with more extreme droughts and floods, rising temperatures, declining fish populations, over-reliance on groundwater and other challenges. The portfolio outlines 142 state actions to help build a climate-resilient water system in the face of climate change. The actions are directly linked to Administration efforts to carry out recent laws regarding safe and affordable drinking water, groundwater sustainability, and water-use efficiency. They also elevate priorities to secure voluntary agreements in key watersheds to improve flows and conditions for fish, address air quality and habitat challenges around the Salton Sea, and to protect the long-term functionality of the State Water Project and other conveyance infrastructure. Staff's initial review of the portfolio revealed that the report included significant discussion of Salton Sea restoration activities and the role of the Colorado River as a source of supply for California. However, the portfolio currently lacks specific information associated with current Colorado River Basin management activities.

Board staff have prepared some initial comments and suggestions that could be included in the Water Resilience Portfolio at some point in the future (e.g., annual status updates are called for in the report). The current version of California's Water Resilience Portfolio can be accessed online at https://waterresilience.ca.gov/.

Washington, D.C. Updates

Energy and Water Appropriations

At the end of July, the House passed an appropriations minibus containing the Energy and Water appropriations bill. The Senate remains at an impasse and is unlikely to pass their appropriations bills until after the November elections. A continuing resolution is likely; this would temporarily carry over last year's funding levels to fund the federal government past its funding deadline.

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