

MONTHLY REPORT TO THE COLORADO RIVER BOARD OF CALIFORNIA

June 9, 2021

ADMINISTRATION

Proposed Fiscal-Year 2021/2022 Budget for the Colorado River Board of California

The proposed budget for Fiscal-Year 2021/2022 (FY-21/22) is \$2,413,000. This is based upon the Governor's original budget, first released in January 2021, and updated in May 2021. This is an increase of \$13,000 from the previous fiscal year. The FY-20/21 Accomplishments & FY-21/22 Planned Activities Report has been distributed with the Board meeting materials and provides information regarding the accomplishments over the past year, and previews anticipated Board and staff activities in upcoming fiscal year. Supplemental Board budget information has also been included in the materials distributed for the Board meeting.

Update on COVID-19 Operations

Board staff continue to operate under the guidance provide by the Governor's executive orders and federal, state, and local public health agencies. Based upon declining rates of COVID-19 transmission and infection, as well as increasing vaccination rates, the Governor is expected to release updated guidance and direction on June 15th as part of the Administration's "State of California's Blueprint for a Safer Economy." Board staff continue to coordinate and work with the California Natural Resources Agency, California Departments of Human Resources and Public Health, and the Board's representatives from the California Attorney General's Office to implement appropriate guidance and direction regarding office operations and conducting public meetings of the Colorado River Board.

COLORADO RIVER BASIN WATER SUPPLY CONDITIONS REPORT

As of June 1st, the surface water elevation at Lake Powell was 3,560.57 feet with 8.37 million-acre feet (MAF) of storage, or 34% of capacity. The surface water elevation at Lake Mead was 1,073.50 feet with 9.48 MAF of storage, or 36% of capacity. As of May 31st, the total system storage was 25 MAF, or 42% of capacity, which is about 5.95 MAF less than the total system storage at this same time last year.

As of May 31st, the Upper Basin reservoirs, excluding Lake Powell, ranged from 45% of capacity at Fontenelle Reservoir in Wyoming; 84% of capacity at Flaming Gorge Reservoir in Wyoming and Utah; 97% of capacity at Morrow Point, and 43% of capacity at Blue Mesa Reservoir in Colorado; and 65% of capacity at Navajo Reservoir in New Mexico.

As of May 17th, the forecasted unregulated inflow into Lake Powell for Water Year (WY) 2021 is 3.49 MAF (32% of normal). The forecasted April through July 2021 runoff into Lake Powell for Water Year-2021 is 1.85 MAF (26% of normal). For WY-2021, the April observed Lake Powell inflow was 0.29 MAF (27% of normal), and the May Lake Powell inflow forecast is 0.5 MAF (21% of normal). To date, WY-2021 precipitation is 74% of normal and the current basin snowpack is 48% of normal in the Upper Colorado River Basin.

2022 Colorado River Reservoir System Annual Operating Plan—First Consultation

The first consultation meeting for the development of the 2022 Annual Operation Plan (AOP) was held on June 3rd via webinar to provide an overview of the draft 2022 AOP and accept initial 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 the 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 May 2021 24-Month Study Report Study and the most probable inflow scenario, the projected operational tier for Water-Year 2022 for Lake Powell is the Mid- Elevation Balancing Tier with the most probable release of 7.48 MAF from Glen Canyon Dam. It was determined that the most probable operational tier for Lake Mead is the Level 1 Shortage Condition. However, as mentioned above, it is the August 2021 24-Month Study that will determine the official operating tiers for both Lakes Powell and Mead, and this will be updated and documented in the final version of the 2022 AOP. Finally, the draft 2022 AOP currently projects a delivery to Mexico, pursuant to the 1944 Water Treaty, of 1.45 MAF; but this delivery amount may be adjusted based upon Mexico's utilization of its Water Reserve and obligations under Minute No. 323.

The Draft 2022 Annual Operating Plan for Colorado River Reservoirs can be accessed and viewed online at the web sites maintained by Reclamation's Upper and Lower Colorado Basin Regions. The link for the Lower Colorado Basin Region is the following:

https://www.usbr.gov/lc/region/g4000/AOP2022/2022AOP_2021-05-27_Consultation-1.pdf.

The second and final AOP consultations are scheduled to be held via webinar on July 22nd from 10:00 am to 1:00 pm PDT and August 31st from 11:00 am to 2:00 pm PDT, respectively.

COLORADO RIVER BASIN PROGRAM UPDATES

Status of Minute No. 323 Implementation

Minute No. 323 Hydrology Workgroup

The U.S. members of the Minute No. 323 Hydrology Workgroup have continued to meet and work on the development of a draft report and work plan that will be provided to Mexico for review and discussion and ultimately adopted by the Minute Oversight Group. Pursuant to Minute No. 323, the annual report and work plan is to provide an overview of the hydrology for the previous year and expected activities of the Hydrology Workgroup in the upcoming calendar-year, as well as provide recommendations and information to the Mexican and U.S. sections of the International Boundary and Water Commission (IBWC). As the projections for CY-2022 currently indicate that Lake Mead will be operating in a shortage condition (i.e., Mead water surface elevation below 1,075' as of January 1, 2022), this report will provide additional information associated with the relationship between hydrology and reservoir operations and impacts on projected reservoir elevations. The annual report is expected to be finalized in late-June or early-July.

Minute No. 323 Environmental Workgroup

The Environmental Work Group for Minute 323 met via webinar on May 12th and May 28th. Under a plan proposed by the EWG, environmental water deliveries to the Colorado River Delta began on May 1st. The water is being delivered through irrigation canals and habitat site infrastructure to Reach 4 of the Delta, which has a high groundwater table and is home to the majority of the habitat established under Minutes 319 and 323. The water is also expected to benefit river reaches downstream from Reach 4. Approximately 35,000 acre-feet of water, provided by the Mexican federal government, will be delivered over the course of 6 months, ending in October 2021.



Figure 1. Map of the Colorado River Delta, with a yellow square denoting the area where water deliveries are being made in 2021.

Delta Water Deliveries, 2021
VOL= 43.2 MCM, 35 KAF

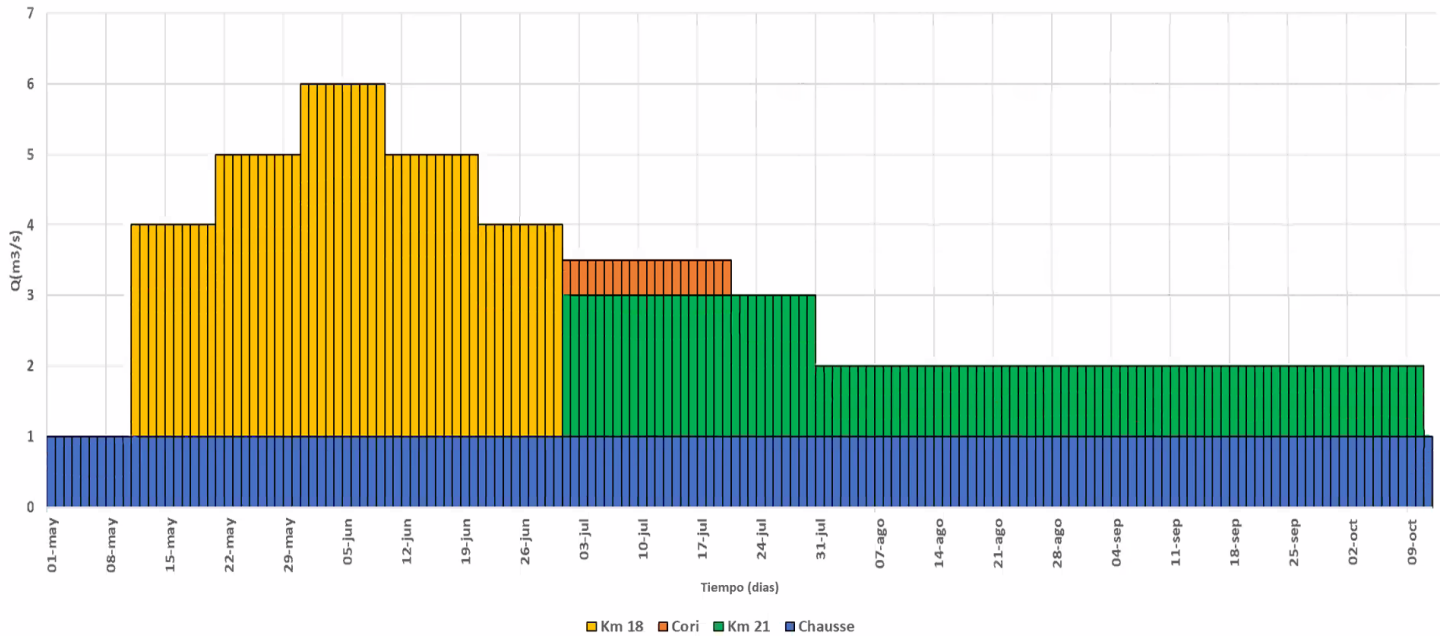


Figure 2. The hydrograph of the water delivery to the Delta includes coordinated deliveries at four different sites in Reach 4 of the Delta, denoted in the hydrograph with different colors.

Status of Colorado River Basin Salinity Control Program

The Colorado River Basin Salinity Control Forum, Advisory Council, and technical work group are meeting, via webinar, during the week of June 7-10, 2021. A comprehensive update regarding the Program and recent meetings will be provided at the next regularly scheduled Board meeting.

Status of the Glen Canyon Dam Adaptive Management Program

The Adaptive Management Work Group (AMWG) of the Glen Canyon Dam Adaptive Management Program met via webinar on May 19th. Researchers provided some very preliminary information on the spring disturbance flow that was held at Glen Canyon Dam in March 2021. The flow consisted of five days of low steady flows for dam maintenance, followed by a small pulse flow. The low flows were approximately half of the regular minimum release volume from Glen Canyon Dam, but researchers reported that there was no fish stranding detected as a result of the low flows. Additional information on the ecological effects of the spring disturbance flow will be provided at future meetings.

The U.S. Fish and Wildlife Service (USFWS) reported that the proposal to down-list the humpback chub from endangered to threatened was progressing but offered no timeline for the release of a final down-listing rule. USFWS also reported that an expert panel was being convened to

consider an experimental stocking of razorback sucker in Lake Mead. After experiencing a boom around 2014, the population of razorback sucker in Lake Mead has been in decline. This panel will include participation from the Lower Colorado River Multi-Species Conservation Program (LCR MSCP), which has an obligation to stock razorback sucker in the Lower Colorado River and its reservoirs, but not in Lake Mead.

The Technical Work Group will meet June 16-17 via webinar, and the AMWG will meeting August 18-19.

Status of the Lower Colorado River Multi-Species Conservation Program

The LCR MSCP held a Work Group meeting on May 12 – 13. The meeting focused on a review of the *Draft Implementation Report, FY 2022 Work Plan and Budget, and FY 2020 Accomplishment Report*. Bureau of Reclamation staff provided updates on conservation area development and management, the wildlife program, adaptive management, the fisheries program, and program administration and budgeting.

The program made significant progress during FY-2020 while adapting to operate safely during the COVID-19 pandemic. The LCR MSCP established 101 acres of honey mesquite habitat in FY-2020 and has created or restored a total of 6,543 acres of habitat over the life of the program. (Table 1)

Table 1. LCR MSCP Habitat

Land Cover Type	Required Habitat (acres)	Established Habitat (acres)
Cottonwood-Willow	5,940	4,122
Honey Mesquite	1,320	1,901
Marsh	512	362
Backwater	360	158
Total	8,132	6,543

As of the end of FY-2020, 341,631 native fishes have been stocked by the LCR MSCP, including 227,145 razorback suckers and 114,486 bonytail. The goal of the LCR MSCP Fish Augmentation Program is to provide the effort to stock 660,000 subadult razorback suckers and 620,000 subadult bonytail for reintroduction into the Colorado River. This rate of stocking is expected to meet augmentation program goals.

Monitoring for covered species continued in FY-2020. Yellow-billed cuckoos were observed across nine conservation areas. Monitoring at eight conservation areas detected migratory willow flycatchers at all of the monitored conservation areas; however, no breeding southwestern willow flycatchers were detected. Of note, one of the LCR MSCP “covered species” of birds, a Summer tanager (*Piranga rubra*) that was originally banded by Reclamation’s LCR

MSCP staff eleven years ago, was recently recaptured at the Beal Lake Conservation Area during the summer monitoring program. According to international records, this bird may be oldest known Summer tanager to date.

The next meeting of the LCR MSCP Steering Committee will be held virtually on June 23rd.

GENERAL ANNOUNCEMENTS AND UPDATES

California Agencies Webinar Regarding “Alternative Management Paradigms for the Future of the Colorado and Green Rivers”

On May 21, 2021, Board staff hosted a webinar for the California Board member agencies to hear from researchers associated with the Utah State University Center for Colorado River Studies. The webinar presented the findings from the Center’s most recent white paper describing how declining runoff and increased consumptive use in the Colorado River Basin will impact future water supplies and ecosystems, and also considers how these risks can be addressed. The objective of the white paper is to encourage wide-ranging and innovative thinking about how to sustainably manage the water supply, while simultaneously encouraging the negotiators of new agreements to consider their effects on ecosystems. To achieve this objective, the paper introduces a wide variety of alternative management paradigms that offer significant modifications or entirely new approaches to the status quo. The paper introduced the concept of combined Lake Powell and Mead storage in conjunction with alternative scenarios of Upper Basin demand caps and Lower Basin shortage triggers under a future drying climate. The scenarios were evaluated against the risk of an Upper Basin curtailment under 10-year, 75 million acre-feet and 82.5 million acre-feet Colorado River Compact thresholds.

Status of Utah’s Lake Powell Pipeline Project

In late-May, Utah kicked off a process to reinstate discussions associated with its proposed Lake Powell Pipeline Project (LPPP). The purpose of the webinar was to provide an updated overview of the goals and objectives of the LPPP; review the list of issues identified by the seven Basin states in September 2020 and raised in the comments to the draft LPPP EIS; and better understand the relationship between the LPPP and Utah’s other proposed water development projects. Utah indicated that it would like to see if the seven states can work through the remaining issues by the end of the summer and see if the NEPA process can then proceed to completion. Meetings, via webinar, are anticipated to continue through the summer.

Washington, D.C. Report

Administration Nominations Update

Last week, the Senate Environment and Public Works Committee voted to advance the nomination of Ms. Radhika Fox to lead the U.S. Environmental Protection Agency (EPA) Office of Water along with Ms. Shannon Estenoz to be the Department of the Interior's Assistant Secretary for Fish and Wildlife and Parks. Also, the Senate Energy and Natural Resources Committee recently advanced the nomination of Ms. Tanya Trujillo to be Interior's Assistant Secretary for Water and Science.

Federal Fiscal-Year 2022 Budget

Last week, the Biden Administration began releasing details on its FY-2022 budget. Reclamation is requesting a gross total of \$1,532,949,000 in federal discretionary appropriations. Of the total, \$1,379,050,000 is for the Water and Related Resources account, which is Reclamation's largest account. A total of \$56,499,000 is budgeted for the Central Valley Project Restoration Fund. The EPA is requesting \$11.2 billion, a 21 percent increase over the current level. The spending plan would lift EPA staffing to the highest levels since 2017. It is expected that Congress will begin holding markups of the appropriations bills next month in response to the release of the President's budget.

The President's Budget request includes a new line item for Colorado River Activities at \$21.4 million. Reclamation's funding for WaterSMART is proposed at \$54.1 million. The WaterSMART components include WaterSMART Grants, funded at \$15.0 million; the Basin Studies program, funded at \$13.5 million; the Title XVI Water Reclamation and Reuse program, funded at \$4.5 million; the Water Conservation Field Services program, funded at \$2.3 million; the Cooperative Watershed Management program, funded at \$2.3 million; and the Drought Response program, funded at \$16.5 million. Projects funded through WaterSMART since 2010, including WaterSMART Grants and Title XVI projects, are expected to save more than 1.4 million acre-feet of water each year once completed. The Salton Sea Research Project is funded at \$2 million. It is worth noting here that California Congressional representatives Ruiz and Vargas both submitted "community project funding requests" for Salton Sea projects including \$300,000 to fund the first phase of the Army Corps of Engineers investigation into "Imperial Streams, Salton Sea and Tributaries." The Congressmen have asked California's U.S. Senators Feinstein and Padilla to support the Salton Sea funding requests.

Funding for continued implementation of the Colorado River Basin Salinity Control Program (i.e., Title II activities) is proposed at \$24.57 million, and the Lower Colorado River Operations Program is proposed at \$45.2 million.

Status of the FUTURE Drought Act (H.R. 3404) Legislation

On May 20th, California Congressman Jared Huffman (D-CA) introduced his long-awaited water bill – H.R. 3404, the FUTURE Drought Act. Highlights of this proposed comprehensive legislation, which closely matches his earlier bill from the 116th Congress, includes the following elements:

- \$750 million for multi-benefit water storage projects, and WIIN Act storage projects that have already received funding prior to June of 2020 are automatically eligible for this new storage funding stream;
- \$260 million for desalination projects;
- \$500 million for Title XVI, and also raises the \$20 million funding cap for individual projects to \$30 million;
- \$100 million for a Reclamation grant program designed to assist disadvantaged communities that have water quality or quantity challenges;
- Starting in 2032, the bill would provide \$300 million per year from funds that would have traditionally been deposited in the Reclamation Fund, including:
 - \$100 million per year for Title XVI;
 - \$100 million per year for cooperative watershed management and WaterSMART water use efficiency projects;
 - \$100 million per year for Reclamation dam safety projects
- Expansion of the income tax exclusion for homeowners who receive rebates from water utilities for the purchase or installation of water conservation systems; and
- \$10 million grant program for water sector career training.

It is expected that this bill would be included in the House infrastructure package, which House Speaker Pelosi has indicated that she wants to finish by the July 4th recess. In his press rollout of the legislation, Congressman Huffman stated that the bill has been endorsed by the Newsom Administration.

Proposed Legislation to Expand Reclamation's Authority to Support Large-scale Water Recycling

U.S. Senator Cortez-Masto (D-NV) and Rep. Napolitano (D-CA) are drafting legislation to expand Reclamation's authorities to support large-scale water recycling like the one being pursued now in the Colorado River Basin by The Metropolitan Water District of Southern California and the

Southern Nevada Water Authority. Last week, the House Natural Resources Committee held a drought hearing at which the Southern Nevada Water Authority provided testimony in support of legislation for large-scale regional water recycling projects.

White House Infrastructure Discussions

The White House continues to seek a bipartisan infrastructure proposal and has now traded offers multiple times with Senate Republicans. Senate Republican's initially offered a \$568 billion infrastructure package as a counter to President Biden's \$2.3 trillion American Jobs Plan. Senate Republicans subsequently provided the White House with another offer. The White House responded in late-May with a \$1.7 trillion proposal that was not well received by congressional Republicans. The Senate GOP in return made another counteroffer that was closer to the \$1 trillion mark.

The White House has come out against user fees as a means for paying for infrastructure while Senate Republicans continue to oppose any effort to roll back the 2017 Tax Cuts and Jobs Act, which the White House has offered as a pay-for. There is also a growing difference of opinion regarding the definition of "infrastructure" with Senate Republicans insisting that it be "hard infrastructure" such as roads, bridges, airports, and seaports, whereas the White House has a more expansive view of "infrastructure" and believes that it should also include social programs.

Politically, pressure is mounting on the White House to abandon bipartisan talks and to push forward with what Democrats are calling a "one in a generation investment" that tracks with President Biden's American Jobs Plan.
