

-Minutes of Special Meeting
COLORADO RIVER BOARD OF CALIFORNIA
Wednesday, December 15, 2010

A Special Meeting of the Colorado River Board of California (Board) was held in the Roman Ballroom II, of Caesars Palace Hotel, at 3570 Las Vegas Boulevard South, Las Vegas, Nevada 89109-8924, Wednesday, December 15, 2010.

Board Members Present

Dana Bart Fisher, Jr., Chairman
John V. Foley
W.D. "Bill" Knutson
Henry Merle Kuiper

Jeanine Jones, Designee
Department of Water Resources

Board Members and Alternates Absent

Thomas M. Erb
Terese Marie Ghio
James Cleo Hanks
James B. McDaniel

John Pierre Menvielle

David Elms, Designee
Department of Fish and Game

Others Present

Steven B. Abbott
Richard Atwater
Don Barnett
James H. Bond
Gary A. Bryce
Fred Cagle
Peter Carlson
John Penn Carter
Michael Cohen
Ron Derma
Matt Deseat
Steve Glazer
Timothy J. Henley
Andy G. Horne
Richard Johnson
Jill Johnson

Michael L. King
Thomas E. Levy
Carlos Madrid
Jan P. Matusak
Stella A. Mendoza
Roger K. Patterson
David R. Pettijohn
Glen Peterson
Larry Purcell
Greg Ramon
Halla Razak
Steven B. Robbins
Danny Robinson
Jack Seiler
Tina L. A. Shields
Jesse P. Silva

Ed W. Smith
William H. Swan
Patrick Swarhout
Ramona Swenson
Robert D. Thomson
Joseph A. Vanderhorst
Howard Williams
Bill D. Wright

J.C. Jay Chen
Christopher S. Harris
Lindia Y. Liu
Mark van Vlack
Gerald R. Zimmerman

CALL TO ORDER

Chairman Fisher welcomed the audience and thanked the Vice Chairman for conducting the previous Board meeting. Chairman Fisher also thanked Mr. Harris for serving as Acting Executive Director. Chairman Fisher announced a quorum was not present so that the meeting would be for informational purposes only. Then he called the informational meeting to order at 3:08 p.m.

OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

Chairman Fisher asked if there was anyone in the audience who wanted to address the Board on items on the agenda or matters related to the Board. Hearing none, Chairman Fisher moved to the next agenda item.

ADMINISTRATION

November 10, 2010 Meeting Minutes and 2011 Board Meeting Schedule

Chairman Fisher announced that without a quorum the action items of approving the November 10, 2010 meeting minutes and the 2011 meeting schedule would be deferred until the next Board meeting.

AGENCY MANAGERS' MEETING

Mr. Harris reported that the Agency Managers met on November 10th following the Board meeting. The purpose of the November 10th Agency Managers meeting was to finalize the trends and future projections to be included in the Basin Study Report for California. After the November 10th Agency Managers meeting there was a conference call to confirm the values to be submitted to Reclamation for inclusion in the Basin Study Report.

PROTECTION OF EXISTING RIGHTS

Colorado River Water Report

Mr. Harris reported that there had been a couple of storm fronts moving through the Upper Colorado River Basin since October 1st. The precipitation in the Colorado River Basin, as of December 6th, was about 124 percent of average. The Snowpack Water Equivalent was about 101 percent of normal. The forecast of unregulated inflow into Lake Powell for Water Year 2011 was not yet available. Mr. Harris reported that the recent climate conditions of the Upper Colorado River Basin were wetter than normal, in the upper reaches of the Basin, and the season is just beginning.

Mr. Harris reported that, as of December 6th, the storage in Lake Powell was 14.808 maf, or 61 percent of capacity. The water surface elevation was 3,629.6 feet. The storage in Lake Mead was 9.967 maf, or 39 percent of capacity, and water surface elevation was 1,082.3 feet. Total

System storage was about 32.3 maf, or 54 percent of capacity.

Mr. Harris reported that Reclamation's projected consumptive use (CU) for the State of Nevada to be under its basic entitlement of 300,000 acre-feet (i.e. 250,000 AF), and Arizona CU of Colorado River water to be slightly under its 2.8 maf apportionment (i.e. 2.783 maf), and California CU is projected to be slightly under its 4.4 maf apportionment (i.e. 4.380 maf). The CU in the Lower Basin is expected to be about 7.414 maf.

State and Local Water Reports

Ms. Jones, of the California Department of Water Resources (CDWR), reported that fall months have been wet for the Sacramento and San Joaquin Valleys. It is still early in the water year but it is encouraging. Ms. Jones mentioned that there has been some movement in the ongoing Delta Smelt case, affecting the amount of water exported from the Sacramento Delta. A ruling was made that the U.S. Fish and Wildlife Service (USFWS) had failed to justify the restrictions previously imposed. More court hearings are scheduled and some restrictions to pumping may be imposed during the late spring and summer months but it is still too early to tell.

Mr. Harris added that the storage curve of Lake Oroville shows fairly steep decreases and increases over the last few years. Currently the storage is about 500,000 acre-feet more than this time last year.

Mr. Foley, of The Metropolitan Water District of Southern California (MWD), reported that as of December 1st, MWD's combined reservoir storage of Lakes Skinner, Mathews, and Diamond Valley was about 759,000 acre-feet, or 73 percent of capacity. Storage in Diamond Valley Lake had increased to about 605,100 acre-feet, or 75 percent of capacity. The last time Diamond Valley Lake had more than 600,000 acre-feet in storage was December 2007. The storage in Lake Mathews was about 114,800 acre-feet, or 63 percent of capacity. The storage in Lake Skinner was about 39,100 acre-feet, or 89 percent of capacity.

Mr. Foley added that with anticipated increase in capacity through the east branch of the SWP soon to be available, deliveries to Diamond Valley Lake may be increased to 700 cubic feet per second, thereby increasing the storage in Diamond Valley Lake.

Mr. Pettijohn, of the Los Angeles Department of Water and Power, reported that climate conditions in the Eastern Sierra, as of December 14th, are about normal so far this water year. Snow sensors indicate about normal for this time of year. In a couple months, we'll know what the water supply from the Eastern Sierra will be.

Chairman Fisher asked if there were any flood control releases being made from the Shasta Reservoir due to the recent couple of storm fronts. Ms. Jones responded that, this time of year, the reservoirs along the Sierra's are normally in flood control operation mode, but that most reservoirs are below the elevation of normal flood control releases, however some reservoirs have increased releases because the next 10 days are expected to be wet.

Colorado River Operations

California Department of Water Resources Winter Outlook Workshop for Water Year 2011

Mr. Harris reported that on November 17th, the California Department of Water Resources held a Winter Outlook Workshop for Water-Year 2011 in San Diego. Key points from the workshop included: 1) Water-Year 2011 is expected to follow an approximately average Water-Year 2010; 2) a strong La Niña condition is likely to mean drier than average conditions in southern California and potentially average conditions in northern California; and 3) the Upper Colorado Basin is likely to experience an average water year.

Ms. Jones added that a seasonal outlook is beyond the capability of a conventional weather forecast. The Winter Outlook Workshop is a research level forecast. What's ripening for this year is an unusually strong La Niña that rapidly transitioned from the prior year El Niño condition. In a typical La Niña, the Pacific Northwest is reliably wet and the Pacific Southwest is reliably dry. The question is what happens in between. Also one of the hallmarks of a La Niña is that the fall is typically wet and the spring is dry. Consequently the seasonal forecast is above average fall and be followed by a dry spring and result in an average water year, for both northern California and the Colorado River Basin.

Geophysical Research Article Entitled "Predicting regime shifts in flow of the Colorado River"

Mr. Harris reported a recently published technical article from the October 2010 journal *Geophysical Research Letters* was included in the Board folder. The article analyzes paleoreconstructions of stream flow in the Upper Colorado River Basin to develop a potential prediction for shifts between persistently wet or dry hydrologic conditions in the Upper Basin. The data seems to indicate there will be a continuation of decadal to multi-decadal regime shifts from persistently wet to dry conditions, the resultant mean climate conditions for those future wet and dry hydrologic conditions may be different than that experienced historically because of the influences resulting from global warming induced climate change.

There was discussion on the benefits of the research paper. Ms. Jones added that the paper essentially suggest that the decadal and multi-decadal shifts, may increase depending on more recent climate influences but the climate will continue to trend, such that wet years will generally follow wet years and dry years will generally follow dry years.

Central Arizona Project's Letter to Reclamation on the Low Level of Lake Mead

Mr. Harris reported that on November 7th, Central Arizona Project (CAP) sent a letter to Reclamation requesting Reclamation take steps to carefully manage and conserve water supplies in Lake Mead. CAP joins with MWD and the Southern Nevada Water Authority (SNWA) in requesting that should any unused Colorado River water become available, that this water not be made available pursuant to Article II(B)(6) of the Consolidated Decree in *Arizona v. California*, and that it be retained in storage in Lake Mead.

Basin States Discussions

Status of the Binational Projects and Programs with Mexico

Mr. Harris reported that discussions with Mexico focused on developing a minute to the 1944 Mexican Water Treaty that addresses the water that Mexico would like to delay delivery during calendar years 2010 and 2011 because of the damage to its irrigation system infrastructure resulting from the April 2010 earthquake are continuing. Conference calls have been held among representatives of the Basin states and their technical and legal representatives to finalize a draft of Minute 318 that is acceptable to both the United States and Mexico. It is still the intent of both countries to develop a comprehensive deal in a subsequent minute that address the creation and deliver of Intentionally Created Mexican Apportionment (ICMA), the conversion of ICMA to Intentionally Created Surplus (ICS), surplus and shortage sharing, and the pursuit of new water and environmental projects. Mr. Harris reported that the long range effort will begin once agreement on Minute 318 is reached and executed by the U.S. and Mexico. The new draft Minute 318 is undergoing final review by both countries.

There was discussion regarding the recent events of the process, the different management protocols on both sides of the border, how the focus has changed over time, and next steps to be expected.

Department of the Interior's Letter and Proposed Agenda Describing the Joint Meeting on Colorado River Management

Mr. Harris reported that a meeting was held November 30th among the Basin states' principals and the Department of the Interior Leadership Team, including Secretary Salazar, in the Main Interior Building in Washington, D.C. The primary purpose of the meeting was to continue discussions associated with improving communication and better coordinating the roles of the states and the Interior in joint management of the Colorado River. Secretary Salazar, the Assistant Secretaries, and Agency heads attended the meeting, as well as representatives from each of the Basin states, including the Board Chairman.

Chairman Fisher reported that on October 20th, the initial meeting was held with Secretary Salazar and the Basin states representatives to discuss issues and activities along the Colorado River. The Basin states representatives expressed concerns over actions of the Secretary involving management of the river, with no consultation from the states. The October 20th meeting became a galvanizing force for the Basin states in requesting early notification on any changes that affect management of the Colorado River and Secretary Salazar agreed and scheduled the November 30th meeting to introduce changes in the way the Department of the Interior (DOI) manages the assets along the Colorado River. What's become clear is we're no longer dealing strictly with Reclamation in terms of managing Colorado River assets. U.S. Fish and Wildlife Service (USFWS), National Park Service (NPS), Bureau of Indian Affairs, and everyone would be at the table and involved in managing the river, as a huge change, it diminishes Reclamation's authority on the River. That's the new direction.

Chairman Fisher reported that at the November 30th meeting in Washington, D.C., that all the Assistant Secretaries of the Interior, all the heads of each of the Bureau's of the Interior, and their Chiefs of staff, were there. Chairman Fisher reported that the message delivered to the Interior leadership was that the Basin states have a long and contiguous history on the River and

they also have a record of accomplishments that is enviable among all agencies that manage water. In addition, the Basin states also share the same constituents as the leadership of the Interior, and consequently need to be involved in policies that affect management of the Colorado River in a contentious environment. The Basin states need to be heard and understand issues in advance of any policy that affects assets along the Colorado River. The delivery of water according to “the Law of the River” is most important. In addition, the Upper and Lower Basins have close to a billion dollars invested in habitat restoration and they need to have agreement before any policy that could diminish those investments in the future. The Basin states also can’t afford an adverse ruling affecting endangered species, particularly with chub recovery in the Upper Basin. Such a ruling could potentially take management of the River away from the leadership and place it in the hands of a Federal Judge. Generally the Basin states felt well received and a foundation appears to be made for continued communication between the Basin states and leadership of the Interior.

Colorado Water Conservation Board Letter Proposing a Meeting Between Seven Basin States and Reclamation

Mr. Harris reported that the Basin states principals are also attempting to follow up on the November 30th meeting with a meeting or conference call with DOI, regional directors from Reclamation, the USFWS, NPS, and the USGS. The purpose of the meeting is to improve communication and coordination of efforts related to important Colorado River Basin management programs and activities.

WATER QUALITY

Colorado River Basin Salinity Control Forum

Mr. Don Barnett, of the Colorado River Basin Salinity Control Forum, reported that the salinity control program is working at reducing the salinity in the Colorado River. The key numbers to remember are that over a million tons of salt are removed annually from the Colorado River and the water quality at Imperial Dam is about 140 mg/l less because of the salinity control programs. Mr. Barnett discussed a Reclamation chart that displayed the cost of the basin-wide Salinity Program along with the tons of salt removed per year, from 1995 projected to 2025. He also discussed the Natural Resources Conservation Service (NRCS) chart that displayed the breakdown of funding as it has changed from 1979 through 2010. He reported that the recent dip in funding was due to lack of contracts to reduce the salinity in some of the project areas. He reported that the reports on salinity conditions in many of the regions originally studied are over 20 years old and he suggested that updating them would improve the ability to better implement the salinity control programs in those areas, and let more contracts to improve the water quality in the River. He reported on the six original project areas and the five additional areas. He reported on the use of the SPARROW model that indicated additional areas that could be included and suggested that additional areas be added so that programs could be expanded to include more of the Colorado River Basin.

Mr. Barnett reported on the status of the Paradox deep injection well noting that the salinity of the injection water was about 250,000 ppm (parts per million) brine. The injected water would otherwise discharge into the Dolores River increasing the salinity downstream. The well disposes over 100,000 tons of salt annually. The pressures required to inject the brine have been increasing and there is concern that the well may only last a few years.

Mr. Barnett reported that the next meeting of the Salinity Control Forum is scheduled to be held at Glenwood Springs, Colorado, May 24-25, 2011. He reported that watershed of the Glenwood Springs area contributes about 1.6 million tons of salt per year to the Colorado River, about 500,000 tons comes from the salt springs in the area. He mentioned the geologic formations in the area such as the evaporite deposits in the area that are overlain with bedrock that has extruded the evaporite to the surface. Evaporite contains salt deposits that dissolve into water and contribute much of the salt load to the Colorado River, in the Glenwood area. In some areas the salt deposits have dissolved underground and produced sink holes, where the overlying soils have collapsed.

Chairman Fisher thanked Mr. Barnett for his presentation and also for his attendance and contribution during the Colorado River Authority tour which followed the Green River in the Upper Basin.

OTHER BUSINESS

Washington, D.C. Activities

Mr. Peter Carlson reported on numerous changes and activities in Washington, D.C. brought about by the elections in November, and the consequences to California, the Colorado River and the Country as well. The Appropriations Committee that funds a lot of the programs will have a new chairman. It is expected that all of the budgets will be under intense scrutiny to justify their expenditures including the possibility of de-authorizing programs that are considered no longer effective. Mr. Carlson also reported that Columbia River may also compete with the Colorado River for attention in regard to funding from federal programs. He also mentioned that about 20 percent of the Congress are new members and some of them will need to be educated on the value of why programs that benefit the Basin states and the Colorado River, such as the Salinity Control Program, need to be continued.

Mr. Carlson reported on the current state of the government in Washington, D.C. and the transition from the 111th session of Congress to the 112th session of Congress. He discussed programs that appear to be relatively safe and those that were in jeopardy. He stressed the increased level of oversight and how that oversight will impact the budgets of current and future programs. Mr. Carlson cautioned that there will be a need to respond to new oversight, to be prepared to justify the significance and importance of the programs that are already in place. In his 35 years in Washington Mr. Carlson considered this is the most perilous time for federal programs.

Next Board Meeting

Chairman Fisher announced that usually the Board adjourns the meeting and commences the Six Agency Committee and the Colorado River Authority after the Colorado River Board meeting. Due to the lack of a quorum Chairman Fisher announced neither meeting would be held. Chairman Fisher announced that a special conference call meeting for the Board to act on the matters of concern for the Board will need to be scheduled. He charged the Acting Executive Director to poll the Board members to select a time for the conference call meeting. Mr. Harris accepted.

Chairman Fisher announced that the next meeting of the Colorado River Board will be held on Wednesday, January 12, 2011, 10:00 a.m., at the Holiday Inn Ontario Airport, 2155 E. Convention Center Way, Ontario, California.

There being no further items to be discussed, Chairman Fisher adjourned the informational meeting at 4:33 p.m. on December 17, 2010.

/S/Christopher S. Harris

Christopher S. Harris
Acting Executive Director