

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

December 14, 2015

ADMINISTRATION

Minutes of the November 18, 2015 Meeting of the Colorado River Board

The draft Minutes from the Board meeting held on November 18, 2015 are included in the Board packet for review and approval.

Approval of the 2016 Schedule of Meetings

After receipt of input from the member agencies, transmitted with this report is a proposed schedule of meeting dates and locations for 2016.

COLORADO RIVER BASIN WATER REPORT

As of December 7, 2015, the water level at Lake Mead was at 1,078.87 feet with 9.92 million acre-feet of storage, or 38% of capacity. The water level at Lake Powell was at 3,604.67 feet with 12.20 million acre-feet of storage, or 51% of capacity. As of December 6, 2015, the total system storage was at 29.86 million acre-feet, or 50% of capacity, which is 142,000 acre-feet more than this time last year. As of December 6, 2015, the Upper Colorado River Basin reservoirs, other than Lake Powell, ranged from 63% of capacity at Fontenelle Reservoir to 88% of capacity at Flaming Gorge Reservoir in Wyoming, 79% of capacity at Blue Mesa in Colorado and 82% of capacity at Navajo in New Mexico. The observed unregulated inflow into Lake Powell for October and November has been 94% of average, and Upper Basin snowpack is currently estimated to be 89% of average.

Lower Basin water use forecasts continue to reflect decreased water uses by irrigation districts in California and Arizona, and all three states are projected to use a total of 7.3 million acre-feet out of a normal 7.5 million acre-feet apportionment. Pursuant to the System Conservation Pilot Program, approximately 17,000 acre-feet of water from Arizona (7,000 from Yuma Mesa and 10,080 from the Tohono O'Odham Nation and approximately 7,500 acre-feet of water from Nevada is scheduled to be left in Lake Mead for 2015. As of December 7, 2015, deliveries to Mexico are forecast to be 16,335 acre-feet above the 1.5 million acre-feet Treaty obligation, and the amount of water forecasted to be conveyed to Mexico through the Welton-Mohawk bypass drain pursuant to Minute 242 is 138,232 acre-feet. As of December 4, 2015, storage at Brock Reservoir has been 132,866 acre-feet and storage at Senator Wash has been 105,060 acre-feet.

The Colorado River Basin Forecast Center held a webinar on December 10 to discuss the "2016 Water Supply – Early Season" forecast. Although it is still early in the season, the snowpack is currently below average. The Forecast Center outlined changes to its reporting process that will be utilized for the remainder of the season. The next briefing will be held on

January 7, 2016 with follow up sessions scheduled monthly through May.

California Drought Update

The National Drought Monitor map indicates that as of December 1, 2015, 44% of the State continues to be in the “exceptional drought” category of drought and reservoir levels continue to be well below average. In December 2015, 55% of the State was in the exceptional drought category. On December 7, 2015, the State Water Resources Control Board held a workshop to receive input on how to improve the implementation of the Governor’s 25% urban conservation mandate. The current conservation requirements were set to expire on February 13, 2016, but the Governor’s November 13, Executive Order extended the mandatory water use reductions through October 31, 2016 depending on precipitation and other factors. The Board received input on whether to keep the conservation level at 25% or to adjust it. A common theme during the workshop was that efforts to develop more sustainable water supplies (through desalination, water treatment and recycling, or demand management) should be taken into consideration when determining conservation targets. Some suggested changes to the current conservation rules included: adjusting the 2013 baseline water use to account for recent population growth; giving agencies “credit for drought-resilient water supplies”, i.e. desalination or potable reuse; introduction of voluntary programs allowing agencies to work together to target and achieve conservation goals; and adjusting conservation targets in response to recycled water use. The Board did not make any decisions in connection with the workshop, but emphasized future hydrological uncertainty associated with El Nino years.

In addition to the drought relief actions that are underway, the State has also been preparing for potentially strong El Nino conditions that could result in above average rainfall and flooding, and has launched a new California Storm Ready website at: storms.ca.gov.

COLORADO RIVER BASIN PROGRAM REPORTS

Basin States Drought Contingency Planning

The Basin States have continued to meet regarding the drought contingency planning efforts initiated in 2013 in conjunction with the Department of the Interior in response to the potential for continued declining elevation levels in Lake Mead. The Lower Basin States are working to develop additional tools that can supplement the 2007 Interim Guidelines to enable more water to be saved in Lake Mead. The Upper Basin States are looking at options for increasing operational flexibility with respect to management of the reservoirs throughout the basin and at additional conservation and efficiency programs. Both Basins have been contributing to weather modification efforts in Colorado, Utah and Wyoming. The Lower Basin States and large municipal contractors entered into a Memorandum of Understanding in December 2014 to outline additional goals for water conservation in the Lower Basin. 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 within the next few months. In the Upper Basin, the Upper Colorado River Commission is overseeing the program and has approved an initial round of system conservation proposals, with additional proposals under consideration. 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.

Reclamation's By-Pass Flows Work Group has continued to discuss potential options to reduce system losses and improve efficiencies in the Yuma area and with special focus on the options for utilizing more of the water that is by-passed through the Welton-Mohawk drainage system and delivered to the Cienega de Santa Clara in Mexico. Operations under consideration include operation of the Yuma Desalting Plant at some level and increasing pumping at Reclamation's Minute 242 wellfield. The ultimate goal of the Work Group process is to develop recommendations to reduce the amount of over-deliveries to Mexico and increase the amount of water storage in Lake Mead.

Colorado River Basin Supply and Demand Study

On May 12, 2015, Reclamation released the Moving Forward Phase 1 report as part of the Colorado River Basin Study Moving Forward effort launched in May 2013. Three workgroups -- Municipal and Industrial Water Conservation and Reuse, Agricultural Conservation, Productivity and Water Transfers and the Environmental and Recreational Flows, were formed to that investigated past, current and future trends, as well as, evaluated opportunities, challenges and best practices within these areas. The Phase 1 report identified twenty-five opportunities and future actions that could help improve the long-term sustainability of the Colorado River Basin resources.

On December 9, the Colorado River Basin Study Moving Forward Basin Study Coordinating Committee met via conference call to discuss preliminary plans for launching Phase 2 of the Moving Forward effort, which will focus on the selection and implementation of several pilot projects. The purpose the meeting was to discuss the preliminary funding strategies and next steps for the Phase 2 effort. A follow-up meeting is anticipated in January or February 2016 to continue discussions.

Colorado River Basin Salinity Control Program

The Salinity Economic Damage Model subcommittee is continuing its effort with Reclamation to update the existing model to ensure that it will accurately reflect the broad range of damages that result from higher salinity levels. The subcommittee is planning to meet on January 25, 2016 at the Arizona Department of Water Resources office in Phoenix, Arizona, to take a closer look at the model and consider ways to better reflect the conditions in the Lower Basin states.

The Colorado River Basin Salinity Control Work Group will hold its next meeting on February 17-19, 2016 at Central Arizona Project's offices in Phoenix, Arizona. The next Forum and Advisory Council meetings are scheduled for June 8-9, 2016 in Keystone, Colorado.

Status of the implementation of Minute 319

The bi-national group that is evaluating options for the potential successor to Minute 319 met most recently on December 10 in San Diego. The group finalized the scopes of work for bi-national workgroups that will help guide the negotiations in areas such as system operations, bi-national conservation projects, salinity and environmental projects. Workgroup meetings were

held on November 19-20, and December 11, in San Diego. Members of the Mexican delegation are scheduled to speak during the Colorado River Water Users Association meeting in Las Vegas on December 18.

Status of the Glen Canyon Dam Adaptive Management Program

Stakeholders of the Glen Canyon Dam Adaptive Management Program participated in a status update regarding the Long-Term Experimental and Management Plan EIS on December 3, 2015. The Department of the Interior Team and Argonne National Laboratory provided an overview of the alternatives being evaluated in the draft EIS, which is slated for public release on January 8, 2016. The public review draft is anticipated to have a 90-day comment period, with public meetings and a public webinar planned for late February 2016.

The Technical Work Group will meet in Phoenix, Arizona, on January 26-28, 2016, for a combined TWG and Annual Science Reporting meeting, during which the group will review the past year's research and monitoring efforts. In addition, the Adaptive Management Work Group is scheduled to meet on February 24-25, 2016, in Tempe, Arizona.

Status of the Lower Colorado River Multi-Species Conservation Program

As reported last month, on November 12, the Arizona Supreme Court ruled that the Arizona Department of Water Resources' approval of the sever and transfer of water rights at the Planet Ranch property on the Bill Williams River was valid and legal, reversing the ruling of the Maricopa County Superior Court, and the purchase of the Planet Ranch property for the benefit of the MSCP has been completed.

The LCR MSCP will hold its annual Colorado River Aquatic Biologists (CRAB) meeting on January 5-6, 2016, and its Colorado River Terrestrial and Riparian (CRTR) meeting on January 26-28, 2016. Both of these meetings will be held in Laughlin, Nevada.

ANNOUNCEMENTS

(a) As a follow-up to the workshop held on March 18, 2015 regarding Salton Sea activities, the State Water Resources Control Board has scheduled a Public Workshop on January 5, 2016 to receive updates from the following agencies:

- The California Natural Resources Agency regarding efforts to improve public outreach and local partnerships and implement habitat creation and dust suppression projects;
- The Colorado River Regional Water Quality Control Board regarding efforts to improve water quality in major tributaries to the Salton Sea;
- The California Air Resources Board regarding efforts to address air quality impacts from the Salton Sea; and
- The California Energy Commission regarding consideration of renewable energy opportunities at and around the Salton Sea and the region.

Governor Brown established the Salton Sea Task Force in May, 2015 and on October 9, 2015, signed legislation authorizing new actions to support restoration activities at the Salton Sea. The actions include restoring up to 12,000 acres of shoreline habitat over the next five years, restoring up to 25,000 acres of additional exposed shoreline starting in 2020, and convening a scientific advisory committee to ensure that the best available science guides the habitat restoration efforts, with the goal of accelerate planning, permitting and construction of “shovel-ready” restoration projects at the Salton Sea that are in either the final planning, environmental review or permitting phase by March, 2016. Comments may be submitted in connection with the workshop until December 30, 2015. A follow-up meeting of the Natural Resources Agency stakeholder process will be held on January 20, 2016.

(b) As previously reported, Colorado River Board staff were closely monitoring progress in Congress relating to the California drought legislation to ensure that no Colorado-River related provisions would be included that might be detrimental to California’s interests with particular concern focused on interest shown by Arizona’s Senate delegation in a measure to restrict the Secretary of the Interior’s authority to allocate unused apportionment from one Lower Basin State to another. Although it does no appear that any drought-related legislation will be moving forward this year, staff will continue to work with the other States to ensure that the current practice of obtaining Basin States support for any legislative adjustments should continue to be followed during subsequent Congressional terms.

(c) The Southern Nevada Water Authority has continued outreach efforts with the other Basin States and Reclamation regarding the potential to develop a traveling museum exhibit to document the history, current uses and potential development status within the Colorado River Basin. The exhibit would “travel” to several locations within the Basin and elsewhere around the country and would be developed with the assistance of a technical advisory committee that would include representatives of the Basin States. The first step for this project would be the development of a Preliminary Interpretive Plan through financial contributions from several sources including the Basin States and Reclamation. The Chicago Field Museum has expressed initial interest in partnering with the Basin States on this project.

(d) The Colorado River Water Users Conference will be held from December 16-18, 2015 in Las Vegas, Nevada. A copy of the agenda can be found at crwua.org. 2015 marks the 70th anniversary of the organization.

HAPPY NEW YEAR AND THANKS FOR THE ONGOING SUPPORT OF THE COLORADO RIVER BOARD OF CALIFORNIA!

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