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

March 10, 2021

RESOLUTION HONORING MR. KEVIN KELLEY, FORMER GENERAL MANAGER OF THE IMPERIAL IRRIGATION DISTRICT

With the passing of Kevin Kelley in January 2021, the Board's staff have worked with the Imperial Irrigation District (IID) and others in preparing a resolution for the Board's consideration at its March 10th meeting acknowledging the contributions of Mr. Kelley to IID, the Imperial Valley, the State of California, and the entire Colorado River Basin. While Mr. Kelley applied his expertise, advocacy, and commitment in his day-to-day management of the IID and superb interactions with other California Colorado River agencies and the other Basin States, he did so with grace and wit, and with an eye toward making the Colorado River Basin better. The Board's staff respectfully requests that the Board adopt the proposed resolution honoring Mr. Kelley's service and contributions to IID and the Basin and join us in extending our deepest sympathies and condolences to his family and many friends across the Imperial Valley and the Colorado River Basin.

COLORADO RIVER BASIN WATER SUPPLY CONDITIONS REPORT

As of March 1st, the surface water elevation at Lake Powell was 3,571.46 feet with 9.23 million-acre feet (MAF) of storage, or 38% of capacity. The surface water elevation at Lake Mead was 1,087.26 feet with 10.62 MAF of storage, or 41% of capacity. As of January 28th, the total system storage was 26.96 MAF, or 45% of capacity, which is about 4.05 MAF less than the total system storage at this same time last year.

As of March 1st, the Upper Basin reservoirs, excluding Lake Powell, ranged from 39% of capacity at Fontenelle Reservoir in Wyoming; 84% of capacity at Flaming Gorge Reservoir in Wyoming and Utah; 91% of capacity at Morrow Point, and 48% of capacity at Blue Mesa Reservoir in Colorado; and 62% of capacity at Navajo Reservoir in New Mexico.

As of February 16th, the forecasted unregulated inflow into Lake Powell for Water Year (WY) 2021 is 5.42 MAF (50% of normal). The forecasted April through July 2021 runoff into Lake Powell for Water Year-2021 is 3.60 MAF (50% of normal). For WY-2021, the January observed Lake Powell inflow was 0.20 MAF (55% of normal), and the February Lake Powell inflow forecast is 0.22 MAF (56% of normal). To date, WY-2021 precipitation is 74% and the current basin snowpack is 83% of normal in the Upper Colorado River Basin.

Colorado Basin River Forecast Center Webinar

On March 5th, the Colorado Basin River Forecast Center (CBRFC) held a webinar to review the Basin's current water supply conditions and forecasts. To date, precipitation conditions throughout the Basin were below average with the exception of the northern portion of the basin, which includes the Green River Basin. The northern portion of the Basin benefited from storm activity in February. As of March 4th, current snow conditions range from 70% to 95% of median in the Upper Basin and 15% to 65% of median in the Lower Basin. Water year precipitation (October 2020 to March 2021) is below average throughout the Basin ranging from 65% to 85% of average in the Upper Basin and 45% to 55% of average in the Lower Basin.

Dry soil conditions continue to persist, potentially impacting the upcoming spring runoff. Water supply forecast for March range from 35% to 80% of normal in the Upper Basin and 0% to 35% in the Lower Basin. As the snow accumulation season nears its end in early to mid-April, the chance for significant snow accumulation, especially in the southern portion of the Basin, narrows.

Weather models for the Colorado River Basin indicate a typical spring weather pattern for the next few weeks with periods of dry and warm temperatures and wet and cool temperatures. The Climate Prediction Center's March to May Outlook predicts elevated chances of above normal temperatures and below normal precipitation, especially in southern Utah and Colorado as well as the Lower Basin. The next Colorado River Basin Water Supply Briefing is scheduled on Wednesday, April 7th.

COLORADO RIVER BASIN PROGRAM UPDATES

Colorado River Basin Salinity Control Program

Colorado River Basin Salinity Control Forum Work Group Meeting

The Colorado River Basin Salinity Control Forum Work Group meeting was held virtually on February 23rd and 24th, 2021. Technical staff from several of California's Colorado River agencies were invited and participated in the meeting. Several important topics were covered during the two days including updates on the existing Paradox Valley brine injection well and potential for a future replacement project, updates on program funding, habitat replacement projects, and federal agency updates from Reclamation, the U.S. Geological Survey, the Bureau of Land Management, and the Natural Resources Conservation Service. Information on these updates is included in the topics below as necessary.

Paradox Valley Salinity Control Project

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 increased project-induced seismic activity. Reclamation published the Paradox Valley Unit (PVU) Salinity Control Project Final EIS on December 11, 2020, with "No Action" identified as the preferred alternative. As you may recall, Reclamation had identified four replacement alternatives in the PVU Final EIS, including: A) No Action, B) New Injection Well, C) Evaporation Ponds, and D) Zero Liquid Discharge. Combined with the continued closure of the existing PVU brine injection well, the No Action Alternative would result in no further salinity control in Paradox Valley for the foreseeable future.

On January 21, 2021, Reclamation issued a letter to the Board and other agencies that commented on the FEIS stating Reclamation does not intend to issue a Record of Decision associated with the PVU FEIS, and that Reclamation remains committed to working collaboratively in furthering the objectives of the Salinity Control Program. During the Work Group meeting, Reclamation highlighted that several California water agencies submitted comment letters asking Reclamation not to issue a Record of Decision and to explore options for continued salinity control in Paradox Valley. The Board staff greatly appreciates the support of our California agencies on this issue.

During the Work Group meeting, Reclamation's Upper Colorado River Region, Regional Director Wayne Pullan provided opening remarks regarding the Salinity Control Program and the future of the Paradox Valley Salinity Control Project. Mr. Pullan affirmed Reclamation's interest in not losing the $100 million invested in salinity control in the Paradox Valley. Reclamation would like to explore ways to continue operating the existing brine injection well and options for an equivalent replacement project within or outside of Paradox Valley. A recent uptick in seismic activity associated with the existing project has delayed a restart of operations of the existing facilities. Mr. Pullan announced Reclamation is pursuing an engineering risk-assessment before resuming operation of the existing brine injection well that will take approximately two years to complete. Mr. Pullan announced that Reclamation is also taking a new look at potential alternatives to Paradox Valley salinity control that were not considered in the recent FEIS. These alternatives include the potential to partner with the private sector to use the Paradox Valley salts for commercial products, looking for significant point source controls outside of Paradox Valley, and greatly expanding the Basinwide Program for on-farm and off-farm salinity control.

Salinity Control Program Habitat Replacement Projects

During the Work Group meeting a special panel presentation was provided on habitat replacement projects associated with salinity control projects funded under the Basin States and Basinwide programs. Projects receiving federal funding that disrupt wetlands or riparian habitat are required to implement and fund long-term habitat replacement lasting up to 50 years. Reclamation and the Natural Resources Conservation Service (NRCS) each described how their respective agencies evaluate proposed habitat replacement and described the current challenges in meeting this requirement. The U.S. Fish and Wildlife Service described its role in providing support to both Reclamation and NRCS in evaluation of habitat replacement projects.

Glen Canyon Dam Adaptive Management Program

The Adaptive Management Work Group (AMWG) for the Glen Canyon Dam Adaptive Management Program met via webinar on February 10-11. The AMWG received an update on the status of the Upper Colorado River Basin Fund, which receives funding through the marketing and sale of Colorado River Storage Project (CRSP) hydropower. The Western Area Power Administration (WAPA), which directs and markets power generation at the CRSP facilities, reported that it anticipates several lean years ahead for the Basin Fund, which receives the majority of its funding from Glen Canyon Dam hydropower revenues. This is due to a number of factors, including low reservoir levels as well as the high cost of purchasing replacement power to meet contractors' needs when hydropower is unavailable.

Prior to Fiscal-Year 2019, the Glen Canyon Dam Adaptive Management Program was funded by the Upper Colorado River Basin Fund. In lieu of returning money to the Treasury to repay the project costs of the CRSP, WAPA instead provided funding to support the GCDAMP and the Upper Basin native fish recovery programs. However, in fall of 2018, the Office of Management and Budget directed WAPA not to use its repayment funds to support these environmental efforts. Last minute efforts to secure Congressional appropriations enabled the program to be fully funded in FY-2019 by Reclamation. In both the FY-2020 and FY-2021 federal appropriations bills, Congress directed WAPA once again to provide program funding from power revenues, but long-term funding for the program remains uncertain.

The AMWG also received a brief update from Department of the Interior (DOI) solicitors on the status of the ongoing *Save the Colorado v. DOI* litigation. On October 1, 2019, several non-governmental organizations including Save the Colorado River, the Center for Biological Diversity, and Living Rivers filed suit against DOI and then-Secretary David Bernhardt. The suit alleged that the 2016 Long-Term Experimental and Management Plan (LTEMP) EIS, which directs monthly, daily, and hourly releases from Glen Canyon Dam, failed to adequately consider the impacts of climate change on operation of Glen Canyon Dam. The plaintiffs seek to invalidate the 2016 LTEMP Record of Decision and prompt consideration of a broader range of alternatives that proponents claim will perform better under climate change conditions, including decommissioning Glen Canyon Dam, run-of-the-river operations, and the "Fill Mead First" proposal. The states of Arizona, California, Colorado, Nevada, Utah, and Wyoming filed a joint motion to intervene in the lawsuit on April 2, 2020. DOI solicitors reported that the progression of the case has been slowed by the ongoing COVID-19 pandemic, but that the scope of the administrative record had been established, with initial briefings before the Court expected in the near future.

Finally, a "spring disturbance flow" will be conducted at Glen Canyon Dam from March 15-26 (Figure 1). The dam release will begin with approximately five days of steady 4,000 cfs dam releases to allow Reclamation to conduct repair work to the concrete apron below the dam. Releases will then be ramped up over the course of two days to the maximum release within powerplant capacity, approximately 20,000 cfs, for 84 hours, before ramping back down. The spring disturbance flow will not result in changes to the monthly or annual release volumes from Glen Canyon Dam.

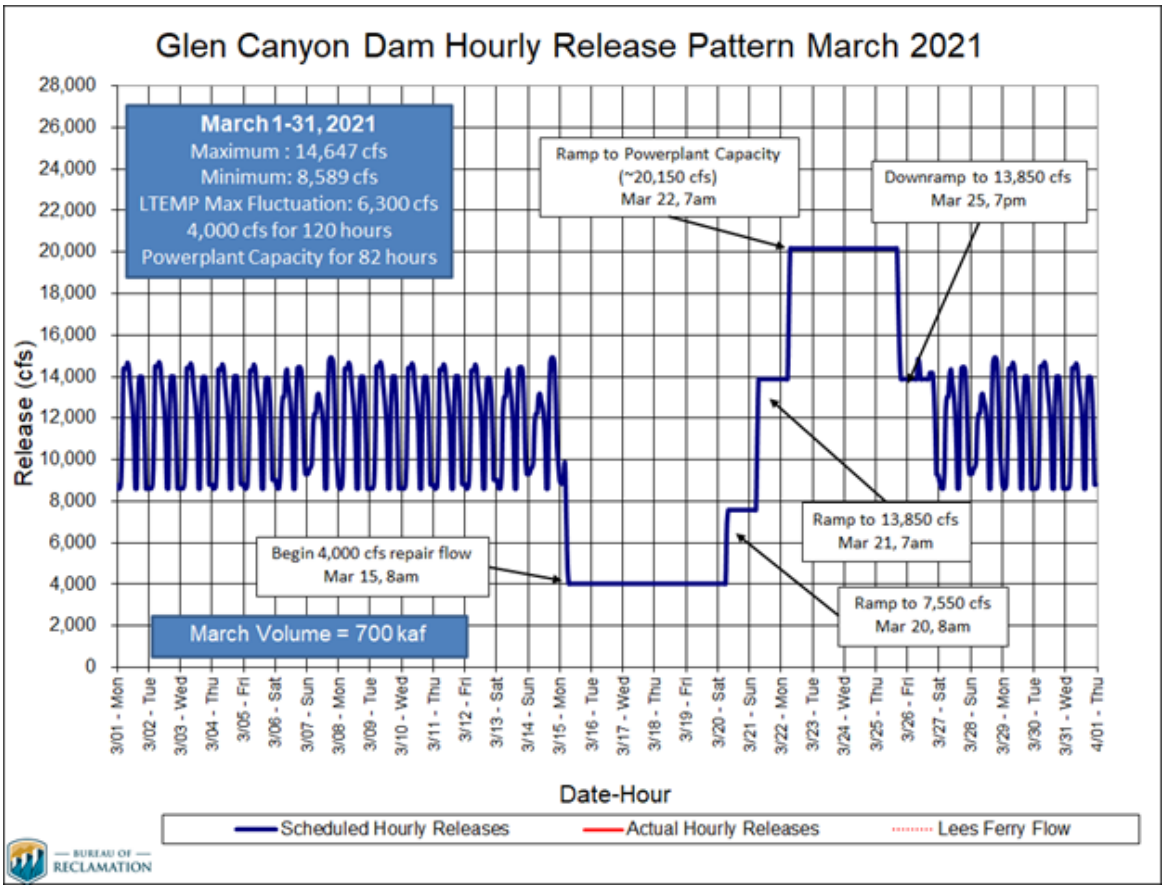

Figure 1. Spring disturbance flow hydrograph that will be implemented in March 2021.

Finally, the Adaptive Management Program's Technical Work Group is scheduled to hold a virtual meeting on April 13-14, and the AMWG is scheduled to hold a virtual meeting on May 19, 2021.

Status of the Lower Colorado River Multi-Species Conservation Program

The Lower Colorado River Multi-Species Conservation Program (LCR MSCP) held a Financial Work Group call on February 18. The group discussed the FY-2020 budget, which was $27.1 million. Actual expenditures in FY-2020 were below budget at $25.6 million. Differences between the approved budget and expenditures was largely due to adjustments necessitated by the ongoing pandemic. Some field work in California was unable to be carried out due to safety restrictions. This primarily affected bird banding efforts and activities. The program has completed the majority of its planned activities throughout the pandemic. The FY-2021 LCR MSCP annual budget is estimated to be approximately $26.5 million.

The next meeting of the LCR MSCP Steering Committee is scheduled to be held virtually on April 28, 2021.

GENERAL ANNOUNCEMENTS AND UPDATES

General Announcements

Governor Newsom's State-of-the-State Address

On Tuesday, March 9th, Governor Newsom will present his third State-of-the-State Address virtually to the California Legislature. The Governor's State-of-the-State Address will be livestreamed at 6 p.m., local time, on the Governor's YouTube page at the following link: (42) California Governor Gavin Newsom - YouTube. The livestream will also be available on the Governor's Facebook and Twitter page.

Law of the Colorado River Conference

The 23rd Annual Law of the Colorado River Conference is scheduled to be held virtually March 11-12. The conference's co-hosts include Mr. Bill Hasencamp of MWD, and Mr. Mike Pearce, the former general counsel for the Arizona Department of Water Resources. The conference agenda includes many current topics relevant to Colorado River water users including Arizona's drought contingency plan implementation challenges, Upper Basin water conservation activities, and updates from Reclamation on the recent release of the effectiveness review of the Lake Powell and Lake Mead Interim Operating Guidelines. More information and conference registration are available at: https://www.cle.com/ .

Washington, D.C. Report

Status of Nominations for Secretary of the Interior and EPA Administrator

On Thursday, the Senate Energy and Natural Resources Committee voted 11-9 to advance New Mexico Representative Deb Haaland's nomination to serve as the next Secretary of the Interior out of Committee and to the full Senate. Prospects for Rep. Haaland's confirmation appear strong as moderate Senators Joe Manchin (D-WV), Susan Collins (R-ME), and Lisa Murkowski (R-AK) have all come out in support of her confirmation.

Additionally, the Senate Environment and Public Works Committee voted to approve Mr. Michael Regan as the administrator of the U.S. Environmental Protection Agency by a 14-6 margin. The next step is a vote of the full Senate for confirmation.

Administration-Sponsored Infrastructure Legislation

Following the passage of the COVID relief bill, the Congress is expected to turn to infrastructure legislation. Senate Majority Leader Schumer and House Majority Leader Hoyer have both commented recently that they are waiting for the White House to put forward an infrastructure proposal, but that hasn't stopped committees in the House and Senate from holding infrastructure-related hearings. Similar to the COVID relief legislation, Democrats have the option of moving the bill through the budget reconciliation process should they put forward a bill that fails to garner enough Republican support.

Water Bills in Congress

Settling into the new session of Congress, lawmakers have started to introduce water infrastructure legislation:

- Senators Jeanne Shaheen (D-NY) and Thom Tillis (R-NC) have proposed emergency assistance for rural water systems struggling financially because of the pandemic. The bill would allocate $1 billion to rural water and sewer utilities in the form of grants, loan forgiveness, and low- or zero-interest loans.
- Senators Kyrsten Sinema (D-AZ) and Mitt Romney (R-UT) introduced a bill that would authorize $1.3 billion for water and sanitation infrastructure on Indian reservations. The bill states that "it is the policy of the United States, that all existing and new Indian communities and Indian homes be provided with safe and adequate water supply systems and sanitary sewage waste disposal systems as soon as practicable." Projects prioritized for funding are homes and areas needing the greatest investment in sanitation, according to a 2018 Indian Health Services report.
- Rep. Juan Vargas (D-CA) introduced a bill to establish a restoration program for the New River, a heavily polluted waterway that drains into the Salton Sea, just north of the U.S./Mexico border.
- Members of California's Republican Congressional delegation have introduced a bill to extend authorizations in the Water Infrastructure Improvements for the Nation (WIIN) Act, including those for funding water storage projects.
- The WATER Act was reintroduced in the House and Senate. The bill would establish a federal trust fund that could provide as much as $35 billion annually for water infrastructure.