

- Colorado River Management Report

Summary

This Report provides a summary of the activities related to the Colorado River during December.

Detailed Report

Metropolitan Implements Reimbursement Agreement with Coachella Valley Water District

In December, Metropolitan and Coachella executed an agreement approved by the Board in November whereby Coachella agreed to reduce its diversion of Colorado River water by 4,000 acre-feet, leaving the water to be diverted by Metropolitan. In addition to 4,000 acre-feet in the agreement, Metropolitan received additional supplies as Imperial Irrigation District water demands significantly dropped due to heavy rain in the Imperial Valley in December. Imperial's demands were more than 48,000 acre-feet less than their approved diversion limitation, and that water moved to Metropolitan through the priority system. To accommodate the additional supplies available from Imperial and Coachella in December, Metropolitan increased its pumping rate to near capacity in mid-December and will maintain that level into January. The additional Colorado River supplies mean that no water was needed to be delivered from Diamond Valley Lake during the latter half of December.

Bi-National Water Management Proposed for Discussions with Mexico

In December, the Colorado River Basin States finalized a proposal to develop cooperative water management programs between the United States and Mexico. Signed by the major water agencies in the United States, including Metropolitan, the document describes specific programs that can benefit both countries, including water conservation programs in Mexico where the savings would be shared by both countries, and potentially allowing Mexico to store conserved water in Lake Mead for later use. A meeting to discuss the document with Mexico has been set up for early 2009. The document was first developed at the request of the late IBWC Mexican Section Commissioner Herrera, and others in Mexico have encouraged the development of bi-national programs.

Tijuana Emergency Delivery Agreement Executed

Following Board approval in October, Amendment No. 1 to the Tijuana Emergency Delivery Agreement was executed by Metropolitan, San Diego County Water Authority, Otay Water District, the Bureau of Reclamation and the U.S. International Boundary and Water Commission. The Amendment extends the emergency delivery agreement through 2013. This continued support of emergency water service has the overall benefit of assisting Mexico help reduce public health and economic problems in Mexico.

Funds Transferred to Palo Verde Valley Community Improvement Fund Board

In late December, Metropolitan transferred more than \$6 million to the Palo Verde Valley Community Improvement Board to enhance economic conditions in the Palo Verde Valley, consistent with the Palo Verde Irrigation District Crop Management and Land Fallowing Program. Metropolitan purchased a total of 82,000 acre-feet of Colorado River supplies from this program in 2008. Metropolitan agreed to provide \$6 million to offset any potential impacts associated with the transfer. Metropolitan retained the money in trust until the Board was ready to take delivery of the funds. Now that the transfer of funds is completed, the money will be locally controlled by the volunteer board that is responsible for investing the money in ways that will improve the business community of the Palo Verde Valley. The Board has retained a consultant to develop an operating policy to implement their business plan. This document will outline procedures for granting business loans and processing funding requests, with the objective of having a fair and balanced approach for all applicants.