



## ● Colorado River Management Report

### Summary

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This Report provides a summary of the activities related to management of Metropolitan's Colorado River resources during June 2010.

### Detailed Report

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#### Discussions with Mexico to Develop Binational Water Management Proposal

During June, representatives from Mexico outlined a proposed minute to the 1944 Treaty between the United States and Mexico (Treaty) to address water management actions that could be implemented to benefit both countries. Representatives from the United States, including the Bureau of Reclamation, the Colorado River Basin States, and Metropolitan, have reviewed the proposal and are developing a response that will be discussed with Mexico in late July 2010. The items that are being address in the water management proposal include the following:

1. Mexico sharing in shortages with the United States. The 2007 Record of Decision that was adopted by the Secretary of the Interior described how shortages would be applied in the United States, but no provisions were included for Mexico. The current proposal will establish criteria for implementing reductions in water deliveries to Mexico. Any shortage to Mexico would be considered "voluntary" and not a definition of "extra-ordinary drought" as defined under the Treaty.
2. Mexico storing water in United States' Reservoirs. Agencies in the United States are allowed to store conserved water in Lake Mead for future use. The current proposal outlines conditions in which Mexico may store and recover water from reservoirs in the United States.
3. Mexico sharing in surplus deliveries with the United States. Mexico has expressed an interest in sharing surplus deliveries that are provided to users in the United States. The Basin States are evaluating options which could provide some surplus water to Mexico without adversely impacting its water users.
4. Agencies in United States could invest in Mexican Water Projects. Mexico has expressed interest in providing an opportunity for agencies in the United States to partner with Mexico on water projects and share in a portion of the water conserved or created. Potential water management examples could include partnering in water conservation and desalination projects, land fallowing programs, and joint environmental projects.
5. Salinity Impacts need to be Addressed. When water deliveries to Mexico are reduced, whether from shortages, storing water in the U. S., or exchanging water with U.S. users, it becomes more difficult for the United States to meet the salinity requirements for water delivered to Mexico under the Treaty. Both the United States and Mexico are aware of the issue and will be discussing options to address it at the July 2010 meeting.
6. Term of agreement. The term of this agreement would be consistent with the 2007 Interim Guidelines that govern operations in the United States. Specifically, the term would end in 2026, except that the terms for certain projects, such as partnerships in desalination projects, could be extended on a case-by-case basis.

Next Steps: Agencies from the United States are developing a formal response to Mexico to discuss later this month. Representatives from both countries are motivated to reach agreement and finalize a new minute to the Treaty later this year. As a result of the April earthquake in Baja California, Mexico has expressed interest in storing water in the United States this year, and agreement on a Treaty minute would facilitate that action. A

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Treaty minute would not require any action by Metropolitan's Board, but any water management partnership with Mexico would require board approval for both the project and any related forbearance agreements.

### **Drop 2 Reservoir Project in Final Operational Testing Mode**

The Drop 2 Reservoir Project is in its final phase of operational testing and is scheduled to be ready to capture any excess unregulated water in September 2010. The project continues to be under budget, with the possibility of the project funders receiving another rebate when the project officially closes out later this year.

### **Yuma Desalting Plant Continues to Operate Smoothly**

The Yuma Desalting Plant (YDP) has completed its second month of operation without any major issues. To date, over 5,000 acre-feet of water has been conserved, with 80 percent of that amount credited to Metropolitan's storage account in Lake Mead. Concurrent with the Pilot Operation of the YDP, Metropolitan, along with Southern Nevada Water Authority and Central Arizona Project, continue to participate in a research project to evaluate the long-term capabilities of the YDP. Additionally, the parties are monitoring the changes to the Santa Clara wetlands in Mexico that might be occurring due to operation of the YDP. A report on both the research project and environmental monitoring are scheduled to be completed sometime next year.