



- Colorado River Management Report

## Summary

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This report provides a summary of activities related to management of Metropolitan's Colorado River resources for the month of July 2014.

## Purpose

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Informational

## Detailed Report

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### **Metropolitan executes System Conservation Agreement**

Following board approval authorizing Metropolitan to enter into an agreement with Southern Nevada Water Authority, Central Arizona Project, Denver Water, and the Bureau of Reclamation (Reclamation) to fund water conservation projects, on July 30 the General Manager executed a two-year, \$11 million agreement to fund conservation activities within the Colorado River Basin. Under the terms of the agreement, each of the municipal agencies will provide up to \$2 million, with Reclamation providing up to \$3 million, to develop and implement agricultural, municipal, and industrial conservation projects, with the conserved water accumulating in Lake Mead or Lake Powell. Unlike prior water conservation programs that have been jointly funded by the agencies, under this pilot agreement the conserved water will not be credited to an agency's Intentionally Created Surplus (ICS) account, but instead accrue to Lake Mead or Lake Powell for the benefit of the entire Colorado River system. Per the terms of the agreement, not more than 75 percent of the funds will be spent on conservation projects in the Lower Colorado River Basin, with the balance spent on conservation activities in the Upper Colorado River Basin. Following approval of the agreement, the municipal agencies will work with Reclamation to develop and solicit proposals for agencies that might be interested in receiving funding for implementing conservation activities. Staff will keep the Board updated as individual conservation projects are approved and implemented.

### **Metropolitan issues Maximum Fallowing Call with Palo Verde Valley Farmers**

On July 31, Metropolitan issued its annual fallowing call to the farmers in the Palo Verde Valley at the maximum amount provided for in the fallowing and crop rotation program with Palo Verde Irrigation District (PVID). Per the terms of the agreement for issuing fallowing calls, the notice calls on farmers to fallow 35 percent of their lands that are enrolled in the program starting on August 1, 2015. The fallowing call will result in a total of about 130,000 acre-feet of water conserved during the 2015/16 contract year. Starting on August 1, 2014, farmers in the Palo Verde Valley will increase their fallowing to 17.5 percent of enrolled lands in the program, which will result in about 65,000 acre-feet of water conserved during the 2014/15 contract year. Metropolitan staff continues to meet with PVID staff to discuss the potential for farmers to voluntarily increase their fallowing level in advance of the August 1, 2015 contractual date, which could increase the amount of water conserved during the current contract year.

### **Lake Mead Continues to Decline**

During the month of July, Lake Mead's level continued to drop, and as of July 31 was down to elevation 1,080.4 feet; its new lowest level since the reservoir was initially filled in the 1930s. At 38 percent of capacity, Lake Mead's level is just over 5 feet above the level where shortages are imposed on water contractors in Arizona and Nevada. Just six months ago, Lake Mead's elevation was 1,108.9 feet, and since then the Lake dropped a total of 28.5 feet. Never before has Lake Mead dropped so far so quickly. As a result of the rapid drop in Lake Mead's elevations, the marina owners on Lake Mead had to continually move the boat ramps farther into the Lake. For the remainder of 2014, Reclamation projects that Lake Mead's level will stabilize and slightly increase during the fall, to end the year a few feet above its current elevation. Operations beyond the end of the year will depend on the amount of snow that falls in the Upper Colorado River Basin next winter.

## Board Report (Colorado River Management Report)

### **Reclamation Hosts Annual Operation Plan Consultation**

On July 31, Reclamation hosted a consultation meeting to obtain public input on the development of the 2015 Annual Operation Plan for the Colorado River. The plan calls for normal deliveries in 2015, and unrestricted access to any ICS water stored in Lake Mead. Metropolitan has submitted a plan to create ICS in Lake Mead in 2015, but if conditions in California remain dry, Metropolitan can request delivery of its remaining ICS credits in Lake Mead next year. The 2015 Annual Operating Plan is anticipated to be finalized in the fall of 2014.