

MINUTES OF THE LAKE POWELL PIPELINE MANAGEMENT COMMITTEE

Minutes of a public meeting of the Lake Powell Pipeline Management Committee held in Kanab on Wednesday, October 14, 2015 at 2:00 p.m. at Kanab, Utah.

Committee Members present: Jim Lemmon (Utah Division of Water Resources), Eric Millis (Utah Division of Water Resources), Mike Noel (Kane County Water Conservation District) and Ronald Thompson (Washington County Water Conservancy District).

Also present: Brian Liming (MWH), Bob Johnson (Kane County Water Conservancy District), Dirk Clayson (Kane County Water Conservancy District), Bill Leeflang (Utah Division of Water Resources), Joel Williams (Utah Division of Water Resources), Barbara Hjelle (Washington County Water Conservancy District), Corey Cram (Washington County Water Conservancy District), Skip Holland (MWH), Karry Rathje (Washington County Water Conservancy District), Tina Esplin (Washington County Water Conservancy District), Judie Brailsford (Alpha Communications), Brent Gardner (MWH-Alpha Engineering), Roger Williams (Kane County Water Conservancy District), Mark Fisher (Kane County Water Conservancy District), Scott Duffin (Horrocks Engineers), Sky Chaney (Taxpayer Association of Kane County), Paul Van Dam, Lisa Ratherford, and Charles Saga.

Welcome and Introductions—Eric Millis conducted the meeting. He welcomed those present and introductions were made.

Approval of March 19, 2015 Minutes—**Jim Lemmon made a motion to approve the minutes of the March 19, 2015 meeting, Ron Thompson seconded the motion and all voted aye.**

Briefing on Progress in Process—Brian Liming reported on the status of the Lake Powell pipeline project (LPPP) integrated licensing process (ILP):

- UBWR will file the License Application with the Federal Energy Regulatory Commission (FERC) by April 30 2016
- Utah and Arizona State Historic Preservation Office (SHPO) requested additional field studies on private lands not surveyed, previously recorded sites not relocated in the Class III survey and a survey of isolated occurrences
- Class I literature search was updated per SHPOs of Arizona and Utah
- Class III field surveys are ongoing and to be completed by early December 2015
- Addendum Class III Report will be prepared and submitted to Bureau of Land Management (BLM) for review and comment
- Addendum Class III report be reviewed by agencies and Native American Tribes and Nations for 90 days
- Full Class III report will be revised to incorporate Addendum report and comments

- Final Draft Class III report will be reviewed by BLM and their comments incorporated
- Final Class III report will be submitted to SHPOs for 30-day review and concurrence
- Class III cultural resources activities will continue beyond the License Application filing with FERC through April of 2017
- Historic Properties Management Plan (HPMP) and Historic Properties Treatment Plan (HPTP) covering site mitigation measures will be submitted for Tribes and Agencies review and comment, then submitted to Arizona and Utah SHPOs for review and concurrence, then filed with FERC
- BLM will continue to formally consult with the individual Tribes to receive and document Tribes input on the LPP project
- Reclamation updated CRSS modeling results of Lake Powell and Glen Canyon Dam releases have been received and incorporated into the Final Study Reports
- The Preliminary Licensing Proposal (PLP) filed with FERC will include all completed Study Reports on December 1, 2015
- The PLP then has a 90-day review by the agencies and public and comment submittal by March 1
- Other sections of the License Application, informal consultation with U. S. Fish and Wildlife Service (USFWS), Draft POD, other applications for federal permits (404, ROW, 401 WQC) will be prepared December 1 through March 1
- The 60-day revision of the PLP will be revised to produce Exhibit E and complete other License Application exhibits for filing with FERC by April 30
- Following the License Application filing by UBWR, FERC will review the License Application and determine if it is ready for environmental analysis
- The Environmental analysis (NEPA compliance through preparation of Draft EIS and Final EIS by FERC) could be delayed by extended cultural resources process with BLM and SHPOs

Eric Millis said the CRSS modeling showing the levels in Lake Powell will be through operations 350 days per year and the levels in Lake Powell won't be measurably changed because the water if taken all at once out of Lake Powell would be approximately 1 foot, but that doesn't occur because the pipeline runs 350 days and a pretty small amount will be taken out daily so levels will not show up. The CRSS modeling results from a hydrological standpoint show no change, so we expect no change with respect to endangered species.

Briefing on the Water Needs Assessment—Brian Liming gave a report on the Water Needs Assessment:

- The Water Needs Assessment Final Draft was submitted to the UDWR and the Districts on October 14 for review
- MWH will meet with UDWR and the Districts to discuss the Final Draft Water Needs Assessment and model documentation
- The Water Conservation update analysis is incorporated into the Water Needs Assessment. It demonstrates the 35% goal for the Kanab Creek/Virgin River basin per

capita water use reduction can be attained by 2060, consistent with the Governor's Roadmap.

- With water conservation measures reducing per capita water use by 25% by 2025, (from 2000 water use) and climate change, water demand/supply analysis indicates that WCWCD will need the Lake Powell pipeline (LPP) water by 2025 with a 10% planning reserve. We have basically met the 25% already. With water conservation measures reducing per capita water use and adding climate change and water demand/supply analysis indicates that WCWCD will need the LPP water by 2025 with a ten percent planning reserve.
- With water conservation measures implemented and climate change, water demand/supply analysis indicates that KCWCD will need the LPP by 2034 with a ten percent planning reserve.

Ron Thompson asked if they are assuming the same for Virgin River and Kanab Creek. Brian Liming said a large portion of the Kane County area drains through that upper portion so we don't have that kind of data for Kanab Creek, so we are assuming the stream flows will be similar for Kanab Creek. The Bureau of Reclamation (BOR) forecast works out to an overall projection decrease of six percent which translates to an earlier runoff period and less participation of snow which means more participation as rain, and that will have an effect on how the basin will react to stream flows. The Virgin River basin has a series of gages, but only the Beaver Dam gage was included in the BOR analysis. They made quite a few higher projections of decreases in stream flow to the upper basin, but this portion of the upper basin has a projected decrease of six percent in stream flow.

Financial Report—Bill Leeflang said MWH has done a significant amount of work since the last meeting. The financial report is as follows:

March 2015	\$ 61,716.47
April 2015	\$ 115,193.85
May 2015	\$ 104,575.60
June 2015	\$ 91,163.67
July 2015	\$ 115,760.37
August 2015	\$ 100,405.14
September 2015	\$ <u>334,646.03</u>
Total	\$ 923,461.13
Total Present Contract	\$ 31,327,817.00
Total to date	\$ 27,919,763.00 (89%)

Jim Lemmon made a motion that the Management Committee ratify the financial report given by Bill Leeflang, Mike Noel seconded the motion and all voted aye.

Other Items—Eric Millis called for questions or comments from the committee and audience.

Sky Chaney asked Brian Liming how the more recent Water Needs Assessment differs from the earlier DNR assessment that said in 50 years Kane County would still have surplus of water? Brian Liming answered the overall analysis in the previous document was for Kane County and it looked at all four basins and areas of Kane County that would not receive the LPP water, so we decided it would be more appropriate to look at each basin individually and how it would interact with the water that would come from the LPP. In our discussions with KCWCD, we determined that Johnson Canyon is the primary basin that has service from KCWCD, along with the most recent interconnection agreement between the City of Kanab and Johnson Canyon. Mike Noel said some of the water rights KCWCD owns have such high total dissolved solids that we have taken that water off line in the Johnson Canyon and Vermilion Cliff areas. It would be much more expensive to do reverse osmosis to clean that water up than to get the LPP water. Brian Liming said that the brackish water limitation, combined with the climate change analysis showing reduced stream flows and adding in that ten percent reserve, creates the need that KCWCD actually could use that LPP water

Lisa Rutherford said so with these changes in the water needs assessment, what is the new gallons per capita for WCWCD area? You have obviously come down from the higher number and what are you using now? Brian Liming said the population is based on the Governor's Office of Planning and Budget (GOPB). I don't have the exact number committed to memory, but the gallons per capita per day has gone down considerably and part of that it is the same number of the governor's road map, but has to do with implementing additional water conservation measures that they have identified in the water conservation study that Maddaus did as well as continued improvement of losses and more efficient use of the water that they have. There are also some ongoing conversions of agricultural water figured into that equation. It shows a decrease over where the district has been and continues to decrease in terms of overall gallons per capita per day use in the WCWCD service area.

Lisa Rutherford asked Ron about the plan for pump storage. Ron stated we have had discussions with several energy companies and know there is a lot of potential there.

Lisa Rutherford asked about the general funding for the project over all. Eric Millis said it is still being discussed with the legislature. The legislature this year enacted a water infrastructure account for projects like this, and we will just have to play that through. As we get our permits we will be starting discussions with the legislature about the need for funding.

Sky Chaney asked what happens after licensing if you have more need for funding. Will you go back and ask for additional funds or increase the contract? Eric Millis stated FERC picks up the cost of the NEPA work after licensing, but there will be a few costs for MWH to follow through.

Next Meeting—The next meeting is tentatively scheduled for Thursday, March 17, 2016 at 2:00 p.m. in St. George.

Adjournment—Jim Lemmon moved to adjourn, Ron seconded the motion and all voted aye.

There being no further business, the meeting was adjourned.
