

## **MINUTES OF THE LAKE POWELL PIPELINE MANAGEMENT COMMITTEE**

Minutes of a public meeting of the Lake Powell Pipeline Management Committee held on Thursday, March 15, 2012 at 11:00 a.m. at 533 East Waterworks Drive, St. George, Utah.

**Board Members present:** Ronald Thompson (Washington County Water Conservancy District), Dennis Strong (Utah Division of Water Resources), Michael Noel (Kane County Water Conservancy District), and Jim Lemmon (Utah Division of Water Resources).

**Also present:** Harold Sersland (Utah Division of Water Resources Consultant), Corey Cram (Washington County Water Conservancy District), Barbara Hjelle (Washington County Water Conservancy District), Brian Liming (MWH), Marc Brown (MWH), Eric Millis (Utah Division of Water Resources), Roger Pearson (Utah Division of Water Resources), Ken Spiers (Bowen Collins & Associates), Judie Brailsford (Consultant), Paul Monroe (Kane County Water Conservancy District), Paul Blanchard (Northwest Pipe Company) and Tina Esplin (Washington County Water Conservancy District)

**Welcome and Introductions**—Dennis Strong welcomed those present and conducted the meeting.

**Approval of November 8, 2011 Minutes**—Mike Noel made a motion to approve the minutes of November 8, 2011, Jim Lemmon seconded the motion and all voted aye.

Dennis Strong said we are going to excuse Central Iron County Water Conservancy District. For the record, we have asked them to provide a written response about their participation in the project by the end of March. They have had some challenges and changes, so we will address their participation in future meetings after we have received their letter.

**Update on Study Reports, Process and Schedule**—Brian said the Modified Study Report meetings were held on February 7 and 8 in St. George and Salt Lake City. The comments made by agencies and public at each meeting were recorded and then summarized in a Meeting Summary which was filed with FERC on February 22 and posted on their public docket on February 23. The process we are in right now is a public and agency review process of that Meeting Summary, along with the Modified Study Reports that were made available on CDs to the agencies and public and provided at the meetings, so their comments can be filed with FERC through March 23. Then, by April 23, the Division of Water Resources will have 30 days to respond to those comments filed on the FERC docket. No comments have been filed to date. Those Modified Study Reports were for air quality, noise, socioeconomics and visual resources, and they were modified specify for the natural gas supply line and generators alternative that would be in place of the electric transmission on the east side of the project to power the pump stations. We also presented the Draft Ethnographic Resources Study Report, and there were a few comments, mostly questions for clarification, made by agency folks. The federal agency representatives can get the full reports, but other than that, it is protected by federal laws from disclosure to the public primarily to protect any sites that might be identified by location or content. Following the responses that the Division provides on the public and agency comments,

the FERC Director of Office of Energy Projects will make their determination on the Modified Study Plans and Reports by May 23.

At that point, if FERC doesn't require us to make any changes, we are ready to submit the Preliminary Licensing Proposal, which is the start of the process towards getting the final License Application submitted and moving out of the pre-licensing phase into the post-License Application phase. We are in the process now of incorporating the responses to the comments that we had on the Draft Study Reports in 2011 to help complete those Final Study Reports, and updating several of the Study Reports with additional data that was collected in 2011. This additional data was specifically some milkweed studies that were done as part of the special status plants surveys and raptor surveys that were done as part of the wildlife surveys, requested by Fish and Wildlife Service in addition to the studies we had done in 2009 and 2010. The milkweed studies were done close to Page, and the raptor studies were done primarily by helicopter along the entire alignment in areas where there are cliffs and trees high enough for raptor nests.

We have now identified the inter-related projects that could cause cumulative effects when combined with the Lake Powell pipeline project, so we are incorporating and completing the Cumulative Effects Analysis as applicable for those resources. There are likely no cumulative effects for certain projects like the Uranium Mill Tailings Remedial Action (UMTRA) project site on the Green River near Moab, but some of the comments that we have had have asked what the cumulative effects of contamination from the UMTRA site are on water in Lake Powell and is that water going to be drawn up into the pipeline, so we have to look at things like that; but we are not looking at the socioeconomic effects of the UMTRA site because it is too far away to have an effect on the project.

We are also going to be finalizing the Modified Study Reports following receiving any comments and responses resulting from the meetings that were held on February 7 and 8 and subsequent review by the public and agencies. We will be starting the right-of-way review process with the BLM, National Park Service and Bureau of Reclamation throughout the next several months, preparing preliminary drafts of those documents and reviewing them with those agencies, to submit next fall, concurrent with the License Application. When we file the License Application before FERC, it starts their formal NEPA process for preparing the Draft Environmental Impact Statement, which will meet all the agencies NEPA requirements as well. We are preparing a Preliminary Draft Biological Assessment on the proposed project that goes to the Fish and Wildlife Service, and have had some discussions with them per Section 7 of the Endangered Species Act. The next major submittal will be the Preliminary Licensing Proposal, which we expect at the end of May, which will include Exhibits A through G. Then there will be a 90-day review period for the public and agencies on the Preliminary Licensing Proposal, and then we will incorporate any comments that come in from that 90-day review period into the License Application. The earliest we can submit the Licensing Application is 150 days following the Preliminary Licensing Proposal, which will be about October 25.

**Financial Report**—Eric Millis presented a memo regarding project expenses. Since we met last November, we have received bills from MWH for the months of October, November, January and February totaling \$23,858,155 as follows:

Total at last report	\$23,164,558	95.1%
October 2011	\$ 121,034	0.5%
November 2011	\$ 180,122	0.7%
December 2011	\$ 95,402	0.4%
January 2012	\$ 132,035	0.6%
February 2012	<u>\$ 165,004</u>	<u>0.7%</u>

TOTAL: \$23,858,155 98.0% of the \$24.352M contract

We have reviewed each bill and thought proper, so we have now paid MWH \$23,858,155, which is 98% of their contract. As discussed by Brian, there are still some things that are going to be ongoing for some time, so we have begun discussion of an amendment to the contract. **Ron Thompson made a motion that the Management Committee ratify the payments for October, November and December of 2011 and January and February of 2012, Jim Lemmon seconded the motion and all voted aye.**

**Next Meeting**—Dennis said next meeting will be September 11, 2012.

There being no further business, the meeting was adjourned.

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Secretary