

**Minutes of the  
Lake Powell Pipeline Management Committee Meeting**

**Telephone Conference  
Originating at Utah Division of Water Resources Office  
December 7, 2007 - 9:00 a.m.**

**In Attendance:**

Committee: Dennis Strong, Harold Shirley, Scott Wilson, Ron Thompson, Corey Cram, Barbara Hjelle, Harold Sersland, Larry Anderson, Eric Millis.

**Welcome:**

Dennis Strong welcomed everyone to the meeting.

**Approval of Minutes:**

Minutes of the October 18, 2007 committee meeting were approved unanimously.

**Items of Discussion:**

*Status of PAD Submittal*

Brian Liming has given Section 3 of the PAD submittal, "District Project Overview", to Harold Sersland and Larry to look at. MWH is going to put the sections out one at a time, let them take a look, and then make them available to the management committee. Harold Sersland said he has expressed to Brian that the PAD needs to be finished soon and sent to FERC by the first of the year at the latest. He talked to both Marc Brown and Brian about going to Boise to help. They are working hard on it, but Harold is concerned about how long it's taking.

Dennis said in the past FERC has accepted applications and then said where they were deficient. It might be better to just send it in and let FERC review it. He asked Larry and Harold to set up a meeting with Brian and Marc.

Larry said he talked with Marc yesterday and they decided the goal ought to be to have it ready to submit to FERC by no later than January 15. That means it will be out for review by the management committee sometime before Christmas. He will call Marc and ask if that can be speeded up.

*Update on MWH progress and activities*

Larry said MWH's alternative comparison report was a major effort by them to put that together in a format we could follow. They have attempted to give as many options as possible, and are trying to come up with a preferred alternative, or a preferred alternative with a couple of sub-alternatives still left in it. They're hoping to get down to a simple preferred alternative if at all possible. Marc indicated that over the next 30 to 60 days MWH will be preparing technical memos relating to the report, to put in a final report. Also, another draft of the water needs assessment should be ready by next week, and

included in that will be a re-draft of the no-action alternative. MWH had its geotechnical staff down in the area last week, and held meetings in Phoenix with people at the Navajo generating station to discuss problems that were encountered when drilling the two shafts out there. MWH hoped to get a better feel for what they might run into with the shafts for the Lake Powell Pipeline project. At the generating station they hit a gravel lense and could never get it sealed off; they'll be watching for that type of problem when they drill where the intake will be; the geology may be different there. They've got all the drill log information from the Bureau that was available.

Also MWH mapped the geology at the intake shaft, Cockscomb, Little Creek Mountain, and the Hurricane Cliffs. Marc has suggested that the MWH geotechnical staff to make a presentation of what they've learned to the geotechnical people from Water Resources and southern Utah.

The next task is to zero in on a preferred alternative and on the cost estimates a little better. Their environmental staff will start about the first of the year to look at the plants and animals along the preferred alternative.

Ron said there needs to be a serious discussion about their cost estimates. He was concerned that the cost estimate has engineering and construction management at 25% of the cost of the project. Dennis said right now the cost estimate is for comparison. If the committee feels more comfortable about getting those contingencies down they can just tell MWH to do that.

#### *Right-of-way Needs*

Larry said the construction right-of-way being looked at is 150-feet wide. There will be places where that much can't be had, and it will have to be tightened up, but if they can get that much that's what they'd like to have. A permanent right of way would only be 60-foot wide, which would provide an access road if necessary along with space to get in and make repairs or whatever needs to be done to the pipeline. Ron said repairs would be very difficult to make on a big pipeline like that if there were only a 60-foot width to work in.

Larry said over the next few months MWH is going to be preparing right-of-way maps with owners listed. They recommend starting to acquire rights-of-way as soon as a preferred alignment is determined. There may be some exceptions, for example some of the private land ought to be bought now to prevent development from taking place on those lands over the next fifteen years.

Ron said he thinks most of this is on public land but the District has already been holding discussions with the private landowner at Cockscomb. If he will lower his price, the district might just go ahead and buy that land. Larry said that other than a few pieces of private land where there might be critical facilities, it's maybe a couple of years away before it's necessary to get serious about acquiring rights-of-way, but that's MWH's recommendation.

Eric said Norm Johnson put together a memo regarding some of the options available to Utah to get through Arizona. One is to pass a bill through Congress to allow Utah to create a right-of-way through Arizona property. Another way is to find a way to create a beneficial use for the state of Arizona. The third thing would be to obtain a FERC license for that portion through Arizona. One last thing he mentioned was utilizing existing utility rights-of-ways in the state of Arizona; however, that would have to be a permissive type of thing.

### *Discussions with Kaibab Paiute Tribe*

Eric said he and Dennis had an agreeable meeting with the Kaibab Paiute Tribe's council: it lasted about 2 1/2 hours. The bottom line was they'd be interested for a price. The cultural and antiquities aspects are very important to them. Before the council is comfortable with saying anything more about its level of interest in having us go across Tribal land, it wanted us to meet with the Tribe as a whole so everyone could hear the presentation and ask questions and make a decision themselves. A meeting was set for the evening of January 24th. They also wanted to have us take the Tribal elders out to look at some specific spots along the alignments so they could get a feel of what might be impacted.

Ron suggested getting a helicopter so they could really see things. He said it could be coordinated with the local press, and he'd be willing to pay for it. Dennis thanked him and said it was a good idea.

Eric said they had talked about how to figure the land value. It ought to be based on the value of the land across there. We're going to help them out a little bit in looking at an estimated cost of the land. BLM will do the same, but we encouraged the Tribe to also look at it and tell us what they think the value of their land is.

Dennis said he tried to make it clear that there's a significant difference in our dealings with the Tribe if we're on the reservation or off the reservation. They want to make it like it's all the same regardless of where we are, and I made it clear that if we're on the reservation we're dealing with them directly, and negotiating and making deals and whatever. If we're off the reservation, they are a participant in the federal process; they don't deal with us, they deal with the federal permitting agency - FERC or with BLM, or whoever it is.

Ron said that alternative alignment should always be treated as an alternative, not as the primary choice. Let's look at it and if it works out, fine, and we'll make an agreement, and if we can't we won't.

Harold said we're going to have to spend time with the Tribe talking about their interest in their historic areas. We are going to have to sit down and really facilitate the process by listening to them and talking to them. We need to know what they're going to go to FERC with. Talking to them is really important.

Eric asked Harold at what point in the FERC process, focusing on a preferred southern alignment, could it be changed to go through the middle alignment if we are able to work

out an agreement? Harold said the alignment could still be changed up to when FERC files its action to start the actual EIS, so still a couple of years. The alternative can be changed between the draft EIS and the final EIS, as long as you have covered enough information in the alternatives to allow it to be covered by the Environmental Impact.

#### *Update on Agency Contacts*

Harold said he has been to several meetings in the past month, including one to look at the Map Creek crossing with a whole bunch of BLM people and Tribe people. At least seven, maybe eight, Tribal council people were on the trip. It was a good session. He hasn't met with the environmentalists, EPA, or the Corps yet, but comments are due from all the agencies back to FERC sometime right around the first of the month. We're going to find out what concerns the agencies have, and the EPA and Corps will have to identify which regions it's going to be representing. Maybe we could have a better meeting with them after that.

Eric said he and Larry went to meet with Kim Christy at SITLA. It was a positive meeting. We filled him in on the project and he had a lot of questions about it, but was positive about working with us. They gave us some rough costs for easements across their property. They also met with the regulatory person at the Corps office in Bountiful. He provided names and contact information for people in St. George as well as Arizona and that was a positive meeting also.

#### *Update on Project Expenses*

Eric reported that to date the amount billed by MWH was just over \$2 million (\$2,007,000), which is about 36% of the contract. BLM had expended about \$10,700, which was just over a quarter of the \$40,000 the Board had authorized, and they'll be asking for some additional funds soon. He said Joe Incardine has said from time to time how careful they were being and up until this point they really hadn't expended that much money.

Larry said he talked with Marc about if MWH was still on schedule. He said they were. One thing to remember is that when they made their proposal and when we began talking to them we thought this was a BLM process, which is quite a bit different than the FERC process. And the FERC process will really just be getting started about the time MWH's contract is over. Ron said he thought the committee would need to re-evaluate that and renegotiate the contract because we're going to expect MWH to take this a lot further now.

#### *Other Items*

Dennis mentioned a GRAMA request from Lin Alder, who wants to look at the work plan.

Meeting was adjourned.