

Minutes of the
Lake Powell Pipeline Management Committee

May 8, 2008 – 10 a.m.

At the Washington County Water Conservancy District

In Attendance:

Committee: Dennis Strong, Mike Noel, Harold Shirley, Scott Wilson and Ron Thompson.

Others: Brian Liming (MWH Engineering), Harold Sersland, Larry Anderson , Eric Millis, Barbara Hjelle, Roberta McMullin, Brent Gardner, Corey Cram, Patrice St. Germain (The Spectrum).

Public in attendance: See attached Sign-in Sheet.

Welcome: Dennis Strong welcomed everyone to the meeting and conducted the meeting.

Approval of Minutes: Ron Thompson moved to approve the minutes of March 19, 2008, with one correction and Scott Wilson seconded the motion. All voted aye.

Ferc Progress Report – Harold Sersland gave a progress report on the FERC process. He said they have made some major progress in moving through FERC’s integrated licensing process. FERC recently released their Scoping Document #1. He passed out copies of the Introduction from that scoping document with some information of interest underlined. He indicated there had been a lot of meetings and conference calls with FERC to help them understand this project. This is the largest licensing project FERC has dealt with. This sets the future NEPA compliance process in a format that will allow us to move through the process as expeditiously as possible.

Harold said they also have some vegetation studies going on right now. FERC has announced scoping meetings for June 10 in Kanab at the middle school, June 11th in St. George at the Dixie Center, and June 12th in Cedar city at the Heritage Festival Hall. All of these meetings will be from 5 to 9 p.m. Harold said they have had great support and thanked everybody that has been involved for their support in getting to this point.

Ron Thompson asked what the format of the scoping meetings will be. Harold said they don’t know yet what the format will be. There will probably be a court reporter present to make a record of the meeting. Harold said they would like to have a poster section on the four main components of the project.

Dennis Strong asked who would be attending the scoping meetings and what would be an appropriate staff presence for the meetings. There was discussion regarding whether a LPP management committee member should be at each meeting. Harold

said that FERC has not asked for any help or given any assignments yet. He will let the committee members know if there is anything they need to do for these scoping meetings.

Update on MWH Progress and Activities – Larry Anderson gave this update. Since the last meeting of this committee they held six information meetings. Meetings were held in Kanab, Hurricane, Apple Valley and Big Water. The biggest meeting was in Hurricane with about 120 people attending, but there was a pretty good turnout at all four of the meetings. They were a little disappointed in the St. George meeting at the Dixie Center on April 22. Only about 15 or 16 people attended that one. They were, overall, good meetings and the public seemed interested and appreciative of the information. They allowed people to ask questions before and after the meetings.

Larry reported they also held several technical meetings dealing with geotechnical information that has been gathered and needs to be gathered regarding the intake structure and Hurricane Cliffs. There was also a technical meeting related to the groundwater in the Cedar Valley area. Harold has held several meetings with state and federal people various studies that are going on.

Larry indicated the biggest share of MWH time has been in being involved in and preparing for those meetings. MWH is also working on a cost estimate.

There have been ongoing discussions with agencies in supporting the work that is going on. Larry said that they have also been working on hydropower and power issues. Scott Wilson said he would like to compliment and express appreciation for the effort that was made in mapping the alignments for the meeting in Cedar.

Larry also told the committee that whenever someone has called the Lake Powell Pipeline information line, he has gotten that information and returned the calls within 24 hours. Many of those callers just want a detailed map showing the alignment in relation to where they have property. All public calls have been answered and satisfied with information requested. Larry said he would estimate it has been approximately 15 calls and they have all been logged.

Mike Noel reported that he received a lot of comments on the Kanab meeting and the Big Water meeting and they were all positive comments. He said some comments that came in suggested that the Jackson Flat Project is connected to the LPP project. He is not sure where this rumor got started but we need to make sure people understand there is no connection between these two projects and make that point clear in these minutes.

Brian Liming told the committee that the pre- application permit has been filed with FERC. Supporting documents have been printed out and are available in the project office here in St. George and in Salt Lake City for public review. The information phone number is toll free and the address for the project office has been publicized.

Mike Noel indicated that there was an article in the Salt Lake Tribune this morning asking why we chose FERC as the lead agency for this project. He said he feels this needs to be answered and made a part of these minutes. Mike explained for the record that FERC is the commission appointed by the President, we didn't choose them to be the lead agency. If a project involves hydro projects that generate energy, FERC has to issue the license on that project. The committee's preference was to have BLM in joint lead with FERC. We were told no, FERC would be the lead agency. They will develop cooperating agency agreements to participate in the NEPA document so when the NEPA document is finished it will provide all environmental impacts that all agencies have to sign off on. That is the way they do it. FERC is the lead agency for NEPA.

Dennis Strong said the FERC process does not preempt the National Environmental Policy Act (NEPA) and there is not a way that allows us not to have to get these permits. They will just lead us through the federal process. Harold indicated all agencies will use FERC's EIS to sign off on their responsibilities to comply with NEPA.

Power issues - Dennis Strong said this a very important issue. Ron Thompson has been working on this and the State has also been working on this. Ron has a meeting set with UAMPS in August. Data is still being gathered. Dennis said he has contacted the Western Area Power Administration so they are aware of this. Ron has contacted GarKane Power. Ron said they had a meeting set up with Deseret Power and it had to be cancelled. They are trying to get this rescheduled along with some other meetings regarding the power issues. Ron said they had asked Deseret Power to do a supplemental study on this. Ron said he is going to follow up on this and see how soon they can put this together.

Approval of Project Expenses – Eric Millis passed out a memo summarizing project expenses. At the last management committee meeting MWH had billed and the Division had paid \$2,758,195 (49%). Since that time Eric indicated they had received statements for February and March. They reviewed and paid those. He is presenting them now to the committee for ratification and approval.

Total at last report	\$2,758,195 (49%)
February 2008	\$ 333,895 (5.9%)
March 2008	\$ 183,770 (3.3%)
Total	\$3,275,860 (58.2% of the \$5.625 million dollar contract)

As of today, the BLM has expended \$19,300 or 48% of the \$40,000 authorized by the board for consultation with the Division and administrative expenses.

Harold Shirley made a motion to approve expenses as reported. Scott Wilson seconded the motion and all voted aye.

Miscellaneous -

Eric Millis said the BLM will be looking at environmental and cultural impacts since this project is 55% on federal lands. He got a memo from them yesterday indicating their estimate for costs to complete their share of the work through the four-year process is \$557,500. He also indicated the State has not reviewed or discussed this yet. There will probably be some discussions and meetings with the BLM regarding this. Harold Sersland said the BLM will be watching over our shoulder and make sure the work plans cover their concerns for environmental impacts.

Dennis Strong asked Leann Skrzinsky, who was present at the meeting representing the Kaibab Paiute Tribe as its environmental programs coordinator, if there was any response from them yet regarding the right-of-way. She said she didn't have any information on this yet. They will be meeting on May 23 and maybe it will be on the agenda.

Scott Wilson asked about the availability of the Preliminary Application Document (PAD) to the general public and asked Eric to outline the availability of the document for the public in anticipation of the upcoming scoping meetings. Eric Millis explained that it is available at FERC's website at www.ferc.gov (search for Lake Powell Pipeline) and also at the Division of Water Resource's website www.water.utah.gov/lakepowellpipeline (under projects update tab). Other resources include the Lake Powell Information line, which is a toll free number (877-396-2633) where the public can go and request a copy of the PAD on disk. People can also go in person to the Division of Water Resources at 1594 West North Temple in Salt Lake or to the local project office in St. George at 40 South 100 East, Suite 200. So,

Dennis Strong explained that as part of the scoping process there will be a tour. Harold Sersland said the tour is a guided tour by MWH and the Division of Water Resources and if anyone is interested in seeing the pipeline alignment, call the project office and let them know of your interest. People will have to provide their own transportation, water and food. The tour is set for June 9 and 10. It is proposed to start at Sand Hollow Reservoir at 8 a.m. on the 9th and move east from Kanab to lake Powell on the second day. Harold Sersland gave his cell phone number for any additional questions. It is 801-310-0089

Next Meeting – The next meeting of this committee is scheduled for July 1 at 10 a.m. This is a change from the original meeting date.

Meeting adjourned. There was no further business to come before the committee and the meeting was adjourned.