

**Minutes of the
Lake Powell Pipeline Management Committee Meeting
Telephone Conference
Originating at Utah Division of Water Resources Office
July 1, 2008 10:00 a.m.**

In Attendance:

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

Others: Marc Brown, MWH; Mark Havnes, Salt Lake Tribune; Bob Amoroso, St. George Citizens; Lin Alder, Citizens for Dixie's Future; LeAnn Skrzynski, Kaibab Paiute Tribe.

Welcome:

Dennis Strong welcomed everyone to the meeting.

Approval of Minutes:

Scott Wilson moved the minutes of the May 8, 2008 committee meeting be approved. Motion passed unanimously.

Items of Discussion:

Update on MWH progress and activities

Larry Anderson gave an update on the MWH process. He said during the past six weeks efforts have centered around preparing for the scoping meetings. There have also been meetings with some of the federal and state agencies to show them the alignment of the pipeline so they would be able to provide comments. Also, there has been substantial time put into the Water Needs Assessment (WNA) - MWH hopes to have that document out fairly soon - and there has been substantial effort on putting together a cost estimate for the project. Marc Brown said there have been several technical memorandums as well.

Larry said they are moving forward in their assignments, and will now be getting ready for Scoping Document II, which will come out from FERC somewhere towards the middle of August. Harold Sersland said the state will take information from the scoping meetings and the comments that are submitted on the PAD. FERC uses that to put together Document II, which is a revised resource study plan. FERC will put that out with no public meetings or hearings. Then there will be a 45 and 90-day period of meetings with agencies and the public to get their input and discuss what the scope of the study should be. In about December FERC will put out the final document for everybody to look at again, and comment on, and then MWH goes to work on implementing the study resource plans.

Harold said a plant survey study was completed this past spring. Botanists determined the critical areas for surveying, and studied where the Threatened and Endangered plants

were along the alignments. This included the corridor south of the Kaibab Indian Reservation and also the right-of-way across Tribal lands.

Meetings/Coordination with Agencies

Harold said there was a field review with FERC, along with the public and other agencies, on June 9 and 10. It was a pretty intensive review of the South alignment, and was well attended - 30 + people there. Public scoping meetings were held on June 10, 11, and 12 in Kanab, St. George, and Cedar City, and transcripts from those public meetings are on the FERC website.

There was also a field review with the Army Corps of Engineers (Corps), Fish & Wildlife Service, AZ Game & Fish, and UT Wildlife Resources on June 25. The Corps' Durango office is their lead office on this project. The Corps gave a summary of their reaction to the stream crossings, which they are sending to FERC and will be on FERC's website.

July 3 there is a meeting with EPA in Denver.

Comments are due on the PAD and Scoping Document I on July 7. On August 22, according to FERC's schedule, they will have Scoping Document II prepared.

Between now and that point in time FERC said they were going to get cooperating agency agreements signed. The Corps told us they are not going to be a cooperating agency; BLM said they will be; Fish & Wildlife doesn't know yet; and we don't know about the Parks Service.

Dennis asked what involvement there would be with the MOU's? Harold said won't be any involvement - FERC will work with the individual agencies. FERC has been working with the Department of Interior agencies through the Solicitor's Office in Washington, D.C. The people in regional field offices will sign the EIS.

Comments to FERC

Eric Millis said during the week of the scoping meetings in St. George FERC distributed a handout, which was a preliminary list of effects of the pipeline project, with information taken from Scoping Document I. We have a few comments to submit to FERC on that, and the local governments are also planning to submit some letters of support for the project.

Project Expenditures

Eric distributed a memo of MWH's billings for the months of April and May, for a total of \$3,917,265. That is 69.6% of the contract, which is below budget at this point. MWH is preparing amendments to the contract for additional work they have done that was not in the original contract. The additions come from changes in direction that were made some time ago following the FERC process.

He was not able to get an amount from the BLM as to how much they have expended so far. At the last meeting they had expended just under half of what the Board of Water

Resources (Board) had approved for their expenses. The total amount approved was \$40,000. The BLM says they are beginning to spend more now as they become more involved, so in the June 8, 2008 Board meeting, the Board authorized an additional \$50,000 to help pay for BLM expenses until the cooperating agency agreement can be worked out with the FERC.

Ron Thompson moved the charges for MWH be approved and paid; Scott Wilson seconded. Motion passed.

Other Items

Ron asked if an archeological survey of the pipeline had been done yet? Harold said not yet, partly because we need to have the study plan agreed to by the agencies before any ground work is done. The study plan will identify doing a Class I survey, which means going to the books, and then based on the Class I information the resource agencies (BLM, SITLA, BIA) will weigh in on the extent and location of additional survey. But there is a lot of paperwork done before going to the field. Some of that will be identified in the scoping processes.

Ron asked when the WNA will be ready to be released? Marc said they are waiting for comments, then it will take a couple of weeks to compile them and put out the assessment. He thinks about mid to late July.

Dennis said he spent some time this last week with Larry Wykoviak, from the Bureau of Reclamation. He says Reclamation is willing and available to talk about the water service agreement at any time, so it's a matter of us making contact and we'll set up a formal meeting with them probably within the next 60 days. After that is set, we might have a meeting and discuss more involvement from some of the committee members. Ron said he'd like to know what other people are taking out of the lake. Dennis said it was an item ripe for discussion and would be included. Ron said he'd be interested in attending the meeting.

Lin Alder asked how the economic downturn was affecting the short and long-term planning for funding and planning of the project? Dennis said we were moving forward with the project under the directive from the legislature.

Lin asked if the WNA would be available for review by other agencies before it's published? Dennis said the document would be submitted to FERC, which would put it on their website and it will go through the FERC process for review. Eric said people could get hold of FERC to find out how to comment. Larry said that once it's released there will be a lot of comments from people, because it becomes public information. MWH has done a good job in identifying needs with the current available water supply and what the future supplies look like.

Mark Havnes (?) asked when the new cost estimates for construction would come out? Larry thought by the end of July. MWH is working on it and should have something within the next 30 days. It will not include the pump storage unit at this time. It will cover everything to deliver water to the districts.

The next meeting will be September 11, scheduled for St. George or Cedar City. *Scott will line up a location and let committee members know.*

Ron moved the meeting be adjourned, Dennis seconded. Meeting adjourned at 10:35 a.m.