

**Minutes of the
Lake Powell Pipeline Management Committee Meeting
Telephone Conference
Originating at Utah Division of Water Resources Office
September 18, 2008 8:30 a.m.**

In Attendance:

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

Others: Paul Van Dam, Citizens for Dixie's Future; Lisa Rutherford.

Welcome:

Dennis Strong welcomed everyone to the meeting.

Approval of Minutes:

Motion was made to approve the minutes of the May 8, 2008 committee meeting be approved. Motion passed unanimously.

Dennis started with discussion of the proposed MWH contract: what has already been accomplished and what the concerns are with the future contract. Scott asked if a substantial portion of the proposed cost proposal was the additional environmental work to be done in anticipation of the integrated licensing process. Ron said that was some but not all of it. Some of it is branching out with additional detail where people raised issues.

Ron made a motion that Larry and Eric finalize and present a proposed contract change with up to \$10,900,000, with the following caveats: 1) that the only money that can be spent initially is to get the final study plan proofs; 2) that any other money would require them to come back with a detailed work plan and a specific cost and have it approved by the management committee; and 3) take a hard look at having the geotechnical work done with water district staff RB&G.

Scott seconded the motion and then asked for a discussion on it. He said in recent meetings it seemed that everything under the sun was to be studied. There needs to be some clarification from FERC with regards to the anticipated expansion related to public comments received from the scoping meeting process.

Eric said that Brian, Harold, and Larry had been summarizing the comments that came in from those initial study plan meetings to try to assess them. Some may be asking for studies that aren't reasonable. They will be holding discussions with FERC over time to make sure what studies we will be proposing and which FERC will review, so yes, we will be trying to sort through those comments and find out which of those we believe need to be studied. That proposal will be made to FERC and they will review that along with the other agencies and make a determination as to what the final study plans really ought to be.

Scott said that if FERC gives directive to the State to study every issue that was brought out in those scoping meetings, the \$10 million may not be adequate. Part of what MWH proposed is not entirely reactionary but kind of looks at what we're going to actually be required to do. Eric said FERC has been through many, many projects before and they've got experience that will help them also guide us as to what is a reasonable study request and what may be more than we need.

Scott said that given the situation and the discussion, Ron's motion is the only course of action we can take right now. I would hope that as we have those discussions with FERC that Dennis and Eric will articulate our position and puts some restraint there and some prudence.

Dennis said the third item in Ron's motion is about geotechnical and some of the information gained in the geotechnical investigations will have to be folded into the work that MWH is doing and there will be an associated cost, but it will be less than having MWH do it all.

Barbara asked if other elements of this contract could be broken out for more cost efficient management by local firms? Dennis answered that it would be implicit in the motion that the second part would be approved if and when additional spending were approved, and that would be part of the consideration for amending the contract, so the answer is "yes".

Eric said some environmental work has been done, but MWH is waiting until the study plans are complete and then they'll know what to do for that. Larry said he didn't know of any studies being done until after the study plans are approved, which will be some time in January. There is about \$800,000 left in the existing contract with them that will probably last 2 or 3 months.

Dennis asked for a vote on the motion. Motion passed unanimously.

The next committee meeting will be on November 4, also a conference call, at 10:00 a.m.

Meeting adjourned.