

San Juan Water Commission

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MEMBERS:
City of Aztec
City of Bloomfield
City of Farmington
San Juan County
S.J. County Rural Water Users Association

SAN JUAN WATER COMMISSION REGULAR MEETING MINUTES AUGUST 7, 2019

The San Juan Water Commission met in a Regular Meeting pursuant to due notice, Wednesday, August 7, 2019 at 9:00 A.M. in the San Juan Water Commission's conference area in the San Juan Water Commission Office Building, 7450 East Main Street, Farmington, New Mexico.

CALL TO ORDER

Vice-Chairman J. Burnham called the regular meeting of the San Juan Water Commission (SJWC) to order at 9:04 A.M.

Members Present

City of Aztec	Steve Mueller - Alternate Commissioner
City of Bloomfield	Jack Scott - Commissioner ---
City of Farmington	Jay Burnham - Commissioner David Sypher - Alternate Commissioner
San Juan County	---
S.J. Rural Water Users Assoc.	Jim Dunlap - Commissioner Keith Lee - Alternate Commissioner

Members Absent

City of Aztec	Mark Lewis - Commissioner
City of Bloomfield	---
City of Farmington	---
San Juan County	John T. Beckstead - Commissioner Margaret McDaniel - Alternate Commissioner
S.J. Rural Water Users Assoc.	---

Legal Present

Elizabeth Taylor
Doug Echols

Staff Present

Aaron Chavez
Shaun Bishop
Jacqueline Allcorn
Jimmy Hodges
Gordon Miller

Visitors: (10)

In the absence of Chairman J. Beckstead, Vice-Chairman J. Burnham conducted the meeting. In the absence of Commissioner M. Lewis, Alternate Commissioner S. Mueller was the voting member for the City of Aztec. There was no voting member for San Juan County. There is no Alternate Commissioner for the City of Bloomfield at this time.

PLEDGE OF ALLEGIANCE

Elizabeth Taylor led the Pledge of Allegiance.

APPROVAL OF AGENDA

Vice-Chairman J. Burnham called for approval of the Final Agenda. Motion was made by S. Mueller and seconded by J. Dunlap to approve the Final Agenda as written, and upon voice vote the motion carried unanimously (J. Burnham, J. Dunlap, S. Mueller, J. Scott, all voted yes).

CONSIDERATION OF APPROVAL OF THE JUNE 5, 2019 REGULAR MEETING MINUTES

Vice-Chairman J. Burnham called for approval of the June 5, 2019 regular meeting minutes. Motion was made by J. Dunlap and seconded by S. Mueller to approve the June 5, 2019 regular meeting minutes, and upon voice vote the motion carried unanimously (J. Burnham, J. Dunlap, S. Mueller, J. Scott, all voted yes).

COMMENTS FROM THE PUBLIC

There were no comments from the public.

CONSIDERATION OF SAN JUAN WATER COMMISSION ANIMAS-LA PLATA WATER REQUEST REQUIREMENTS AND PROCEDURE

Vice-Chairman J. Burnham said he would welcome comments or discussion on the San Juan Water Commission Animas-La Plata 'draft' Water Request Requirements and Procedure. J. Scott said the City of Bloomfield has concerns and that they intend to address their concerns internally prior to approval.

A. Chavez commented that the San Juan Water Commission's *Animas-La Plata Water Request Requirements and Procedure* was previously presented at the June 5, 2019 SJWC regular monthly meeting. A. Chavez said staff had previously asked for comments by July 17, 2019, which provided a 6-week period for comments to be submitted, and as of today's meeting, no additional comments have been received; with the exception of the comment that Vice-Chairman J. Burnham brought forth at the June 5, 2019 SJWC regular monthly meeting. A. Chavez said he wanted to reassure everyone that the goal of the procedure is to set the methodology and the data requirements to inform the San Juan Water Commission of an entities use of Animas-La Plata (A-LP) water, and also sets the procedures for requesting A-LP water.

A. Chavez said he wanted to make clear that the *Animas-La Plata Water Request Requirements and Procedure* does not seek to redistribute the allocations made to the entities from the San Juan Water Commission Joint Powers Agreement. A. Chavez said this is to setup a methodology to request ALP water and report our ALP water to the ALP OM&R Association. J. Burnham said the City of Farmington had concerns and met with their attorney Casandra Malone. J. Burnham said he thinks it's a good draft, but the City of Farmington will be submitting a "redline strike-out version" that will show the City of Farmington's specific comments.

J. Burnham made a motion to table the San Juan Water Commission's *Animas-La Plata Water Request Requirements and Procedure* until the next meeting, noting, that hopefully the City of Farmington will have the "redline strike-out version" to staff in time so that the Commissioners and Alternates would be able to review the suggested changes prior to the next meeting.

Motion was made by J. Burnham and seconded by J. Scott to table the San Juan Water Commission's *Animas-La Plata Water Request Requirements and Procedure* until the next meeting, and upon voice vote the motion carried unanimously (J. Burnham, J. Dunlap, S. Mueller, J. Scott, all voted yes).

A. Chavez said a 'Word' version of the San Juan Water Commission's *Animas-La Plata Water Request Requirements and Procedure* will be sent to the entities. A. Chavez said staff recommends a deadline of August 21, 2019 to submit comments, and in-turn staff will compile the comments and send them out to the Commissioners and Alternates prior to the next meeting for their review. E. Taylor said she would be available

to any of the entities attorneys to answer questions or discuss any aspects of the San Juan Water Commission's *Animas-La Plata Water Request Requirements and Procedure*.

Vice-Chairman J. Burnham said due to the delay in the arrival of speaker Rolf Schmidt-Petersen, Item 7: Drought Contingency Plan Update would be heard when the speaker arrives. Item 8: Consideration of Resolution 2019-03 - A Resolution to Propose the Disposition of Worn-Out, Unusable, and Obsolete Property of the San Juan Water Commission was heard next.

CONSIDERATION OF RESOLUTION 2019-03- A RESOLUTION TO PROPOSE THE DISPOSITION OF WORN-OUT, UNUSABLE, AND OBSOLETE PROPERTY OF THE SAN JUAN WATER COMMISSION

A. Chavez said because San Juan County served as the Commission's fiscal agent, the Commission was required to approve a resolution each time the Commission needed to surplus worn-out, unusable and/or obsolete equipment. A. Chavez said the Commission needed to surplus multiple items including obsolete computers and a printer therefore the need for the resolution.

Following a brief discussion, Motion was made by J. Scott, seconded by S. Mueller to approve Resolution No. 2019-03 "A Resolution To Propose the Disposition of Worn-out, Unusable, and Obsolete Property of the San Juan Water Commission", and upon voice vote the motion carried unanimously, (J. Burnham, J. Dunlap, S. Mueller, J. Scott, all voted yes).

Due to the continued delay in the arrival of speaker Rolf Schmidt-Petersen, G. Miller was asked to present an impromptu Water Resources Update.

As requested, Gordon Miller, SJWC's GIS Coordinator, gave an update of the stream flow data for the month of July 2019 at the following Animas River stream flow gauges. In Colorado - Tall Timber was at 305% of average, Durango 248% of average, and the Durango Pumping Plant was 370 % of average. In New Mexico - Cedar Hill 244% of average and Farmington came in at 269% of average.

P. Montoia asked if the ALPOM&R was pumping water from the Animas River at this time. A. Chavez said the ALPOM&R is not pumping at this time, and asked Russ Howard, ALPOM&R General Manager, to give a more detailed explanation. R. Howard said the ALPOM&R pumped for 17 days, pumping in 1,734 af, due to a higher amount of lower elevation snow and the Basin Creek water right that allotted for about 2,000-acre-feet of free water. R. Howard said ALPOM&R staff ran all of the pumps in the plant, with the goal of exercising the pumps every single year. R. Howard said it was a successful but short pumping season. J. Dunlap asked R. Howard if he had the latest detailed 'total flows' report available for an update. R. Howard said he did not have the information available at this time. K. Lee asked R. Howard if there were any problems with the Hermosa Creek burn area runoff. R. Howard said they refrained from pumping for an additional week to let the water clear up, stating that the ALPOM&R staff is very sensitive to water quality.

G. Miller continued his update by saying there were high flows in the Animas River for the month of July 2019. G. Miller said the water content in Navajo Dam is currently at 90% of capacity. G. Miller said the Navajo Reservoir Operations release from Navajo Reservoir was raised from 600 cfs to 800 cfs on July 2nd, and raised from 800 cfs to 1,000 cfs on July 10th, where it has remained since. J. Burnham asked how much longer the release will be at 1,000 cfs. A. Chavez said he understands the Bureau of Reclamation and the San Juan River Basin Recovery Implementation Program will keep the flows at 1,000 cfs until the runoff is complete. G. Miller said the reservoir peaked at 6,075.27 feet on July 16th, noting its within 10 feet from the top elevation of 6,085.

G. Miller gave an Animas-La Plata Project Status update saying as of August 3, 2019 Lake Nighthorse contained 114,332 af of active storage and was 99% full. G. Miller said the Animas Basin snowpack for winter 2018/2019 was 158% of median peak, adding, the San Juan Basin snowpack for winter 2018/2019 was 148% of median peak. G. Miller said the April-July Runoff Observed Totals shows the Animas River at Durango, CO total being 654,000 af and 170% of median. The San Juan River at Archuleta, NM totals are 1,160,000 af and 166% of median.

G. Miller said the sea surface temperature shows a El Niño advisory in effect. G. Miller said El Niño conditions are present; the equatorial sea surface temperatures are above average across western and central Pacific Ocean. G. Miller said the anomalous convection and winds are generally consistent with El Niño, and a

transition from El Niño to ENSO-neutral is expected in the next month or two, with ENSO-neutral most likely to continue through the Northern Hemisphere fall and winter.

G. Miller gave the Precipitation and Temperature Outlook for August, September, and October 2019. G. Miller said the Temperature Outlook shows a hotspot over the southwest, and the Precipitation map shows equal chances for above average or below average precipitation. G. Miller said the Precipitation and Temperature Outlook for September, and October, and November 2019, shows the continued hotspot over the southwest, and a high likelihood of above average temperatures. The Precipitation map shows a 30 to 33 % chance for above average precipitation.

G. Miller said the U.S. Drought Monitor shows abnormally dry conditions for the Four Corners area. G. Miller said, it's going to take more than one season to pull us out of these drought conditions. Vice-Chairman J. Burnham thanked G. Miller for his presentation.

J. Scott asked what was happening with Lake Mead and Powell. G. Miller said Lake Powell was a 57% of capacity. G. Miller announced that there will be Geographic Information System training on Tuesday, August 13, 2019 at 10:00 AM in the SJWC conference Room.

Due to the continued delay in the arrival of speaker Rolf Schmidt-Petersen, Vice-Chairman J. Burnham asked the Commission to move on to Item 9: Comments from the Commissioners, Alternates, and Staff.

COMMENTS FROM THE COMMISSIONERS, ALTERNATES, AND STAFF

J. Dunlap said we need to work toward getting the Return Flow Plan approved by the NM State Engineer, to get better usage of our water. A. Chavez said in Mid-July, staff went to Santa Fe, NM to meet with OSE Hydrology Bureau Chief, Ghassan Musharrafieh to request he review Lower Valley Water Users Cooperative Association's draft Return Flow Credit Plan. Bureau Chief, G. Musharrafieh agreed to review the draft plan and provide comments to the San Juan Water Commission.

A. Chavez said Governor Lujan-Grisham appointed Rolf Schmidt-Petersen as the Interstate Stream Commission (ISC) Director, and the seven (7) newly appointed ISC Members are: Aron Balok, Bidtah Becker, Greg Carrasco, Paula Garcia, Stacy Timmons, Tanya Trujillo, and Mike Hammond. Mark Sanchez is the ISC Chair and John D' Antonio is the ISC Secretary.

A. Chavez said on July 25, 2019 the San Juan Water Commission provided comments on the Surface Water Quality Bureau's Draft Comprehensive Assessment and Listing Methodology (CALM). A. Chavez said copies will be provided to anyone requesting them.

A. Chavez said at the June 5, 2019 Commission meeting, Commissioner J. Dunlap was interested in an update on the San Juan Basin Recovery Implementation Program. A. Chavez said has been working with Tom Pitts to prepare and present an update to the Commission. A. Chavez said Tom Pitts is not available until November or the second week in September. It was the consensus of the Commission to schedule an update during the November Commission meeting.

Vice-Chairman J. Burnham called for a 5-minute recess at 9:45 AM.

Vice-Chairman J. Burnham resumed the meeting at 9:50 AM

9:50 AM - With arrival of speaker Rolf Schmidt-Petersen, Director, NM ISC and Dominique Work, Attorney for the NM ISC, Vice-Chairman J. Burnham said Agenda Item 7 will now come before the Commission.

DROUGHT CONTINGENCY PLAN UPDATE

Vice-Chairman J. Burnham welcomed and introduced Rolf Schmidt Peterson, Director of the New Mexico Interstate Stream Commission (ISC). Rolf Schmidt-Peterson greeted the Commission and in-turn introduced Dominique Work, Attorney for the NM ISC. R. Schmidt-Petersen turned the Drought Contingency Plans presentation over to Dominique Work.

Using a PowerPoint presentation, D. Work began by saying in the month of April 2019 Congress took prompt action on implementing legislation that was signed into law by President Trump authorizing the Colorado River Basin Drought Contingency Plans. D. Work said federal legislation authorized implementation of the Drought Contingency Plans (DCP). In addition, D. Works said there is the Companion Agreement that ties the Upper Basin DCP and the Lower Basin DCP plans together. D. Work explained the documents within the Upper and Lower Basin DCP.

The Upper Basin DCP contains the Drought Response Operations Agreement (DROA) and the Demand Management Storage Agreement. The Lower Basin Drought Contingency Plan contains the Lower Basin Drought Contingency Plan Agreement with Operational Provisions and Internal Agreements within Arizona, California and Nevada. D. Work said the Upper Basin Drought Contingency Plan contains the Drought Response Operations Agreement (DROA) – the parties included are the Upper Colorado River Commission and the Secretary of the Interior. The Agreement is a process document that involves the Colorado River Storage Project Act (CRSPA) Initial Units, those being: Flaming Gorge, Aspinall Unit, Navajo Reservoir and Lake Powell. D. Work said the purpose of the Drought Response Operations Agreement is to respond to emergency drought conditions, and the main goal is to protect the water elevation level of 3,525 feet at Lake Powell since it generates a lot of electrical energy through hydropower. D. Work said all CRSPA Initial Units will participate with the first line of defense being operational adjustments at Lake Powell first, then releases from the other CRSPA Initial Units, since recovery is part of the operation.

A. Chavez asked if the Drought Contingency Plan supersedes the 2007 Colorado River Interim Guidelines? D. Works said she was glad A. Chavez asked the question because it gives good clarification, and noted that the Drought Contingency Plan does not supersede the 2007 Colorado River Interim Guidelines. J. Dunlap asked if water would be released from Lake Powell to maintain water levels at Lake Mead. D. Work said the point of the Drought Contingency Plan is to keep certain water levels at both Lake Powell and Mead. D. Work added that along with other states, California will take shortages if Lake Mead hits a critical level and that Mexico will also participate in this effort.

D. Work continued her presentation by saying the Drought Response Operations Agreement process is initiated when Reclamation's 24-month study *Minimum Probable* projects Lake Powell at or below 3,525 feet at any time during the upcoming 24-month period. The Drought Response Operations Agreement will provide for adjustments to drought response operations based on actual hydrology, noting, there will be outreach and consultation on the terms of the plan. D. Work said the Drought Response Operations Agreement plan would be finalized when Reclamation's April 24-month study *Most Probable* projects Lake Powell at or below 3,525 at any time during the upcoming 12 months. D. Work said the Drought Response Operations Agreement plan is subject to consultation with the Principals of the Seven Basin States, and must be approved by the Upper Division States Commissioners and by the Upper Colorado River Commission. D. Work added the Drought Response Operations Agreement plan will be implemented upon the Secretary of the Interior's approval of the Drought Response Operations Agreement plan, with weekly coordination during implementation and the Secretary. The Secretary of the Interior retains discretion in an emergency, and the Drought Response Operations Agreement plan concludes only after the CRSPA initial units have been recovered.

D. Work said under the Upper Basin DCP is the Demand Management Storage Agreement. The Demand Management Storage Agreement parties are the Upper Division States, Upper Colorado River Commission, and the Secretary of the Interior. In the legislation passed in April 2019, Congress authorized Department of Interior to make available to the Upper Basin States, 'Unfilled Storage Capacity' at CRSPA Initial Units free of charge if a Demand Management Program is developed, noting at this time there is not a Demand Management Program in place, but efforts are being taken to put a program together between now and the year 2025. Both the Draft Response Operations Agreement and the Demand Management Storage Agreement expire at the end of year 2025. D. Work noted that the ability to store Demand Management water in the CRSPA initial units does not expire, but remains in perpetuity.

D. Work said if a program is put together, there will be a cap of 500,000 acre-feet, and the program must comply with federal and state law in each state. J. Scott asked if this was new storage capacity within the reservoirs. D. Work said it is new storage capacity above all the storage authorizations that already exist. D. Work said Reclamation has informed us that they have the capacity, and the legislation says whatever is available may be made available to us through the Demand Management Program. Adding, storage will vary depending on the unit, each reservoir has its own contracts and percentage of unfilled storage capacity and whatever exist is available to us as Demand Management water. P. Montoya asked who 'us' is, when the speaker said "...available to us"..., who is 'us'? D. Work said 'us', is the Upper Basin States and the Upper Colorado River Commission (UCRC). P. Montoya commented, "so it's not the State of New Mexico in Navajo Reservoir". D. Work said it is, because the only other state that could potentially store any water in Navajo Reservoir is Colorado, again, each reservoir is unique. P. Montoya remarked it was defined when D. Works said us is the Upper Basin and not a particular entity within the Upper Basin. D. Works said that remains to be determined, and that is one of the things that will be explored when the Demand Management Plan is put together. D. Works added that it's very complicated because there are four different sets of laws in each state, on top of federal law, and we have to make sure our program doesn't violate any of those laws. So, we haven't figured out if the Demand Management is something each state does in its own way within its own state, or if its

going to be a program that works uniformly across all the states.

J. Dunlap said Navajo Lake has two (2) storage components, one for Navajo Irrigation and one for Hammond Irrigation District, and our irrigators do not have a direct right to Navajo Lake. If water is stored that is in the river, it might infringe on our irrigators, how are they going to get their replaced water when they have no right to the stored water? D. Works said the way of thinking and *this is only a concept* - the idea is, in times when there is no shortage, the states through various conservation mechanisms - to encourage water users to voluntarily and in exchange for compensation - renounce using a certain portion of their water, and that water would be shepherded to one of the CRSPA Initial Units to be stored for a period of time. If we need to release that water to Lake Powell because we are in danger of not being in compliance with the Colorado River Compact, then the water would be released and shepherded down to Lake Powell. The idea is if there is a compact call, rather than uses in individual state being curtailed, they could have some sort of a credit for the water the state has saved.

D. Work continued her presentation by saying the Demand Management Programs can be accessed *only if*: The Upper Division States have developed a Demand Management Program – the Upper Colorado River Commission (UCRC) approves the Demand Management Program – each Upper Division State Commissioner and the Upper Colorado River Commission agree to implement Demand Management – the Secretary of the Interior and the Upper Colorado River Commission agree on verification and accounting methodology with consultation with the Lower Basin and the source of Demand Management water must be for beneficial consumptive use which would have occurred otherwise (or imported water). J. Scott said New Mexico does not use a lot of their apportioned water and it goes down stream, do we get credit or can any excess water be put into storage? D. Work said it's a little complicated and that water that is not used and is going down to Lake Powell cannot be counted as a Demand Management contribution. New Mexico water users could choose to put their water in the Demand Management Program.

D. Work said the Demand Management Program is only a program for compact compliance. Water conserved under the Demand Management Program will be released only at the request of the Upper Colorado River Commission and be used solely to assure continued compliance with Article III of the Colorado River Compact. In addition, water conserved under the Demand Management Program will be assessed its proportionate share of system losses and will be lost when water flows through the spillway at Glen Canyon Dam.

D. Work gave a brief overview of the Lower Basin Drought Contingency Plan (LBDCP). D. Work said the parties are the Lower Basin States (and some section 5 Contractors) and the Secretary of the Interior. Each Lower Basin State will conserve specified volumes of water in Lake Mead at certain Lake Mead elevations. New provisions incentivize creation and storage of Extraordinary Conservation (EC) Intentionally Created Surplus water (ICS) in Lake Mead. All Lower Basin DCP parties commit to working together to protect an elevation of 1,020 feet at Lake Mead. D. Work said the Companion Agreement links everything.

R. Schmidt-Petersen said current and upcoming activities include; the United States and Lower Basin parties implementing the Lower Basin EC ICS Agreements with initial discussions regarding the Drought Response Operations Agreement at least 18-months off. The Upper Basin States and the Upper Colorado River Commission will begin Demand Management Storage discussions along with the Demand Management Storage Evaluation. R. Schmidt-Petersen said the Upper Basin States held a Demand Management Storage Workshop in Salt Lake City, UT in June 2019 and that the Upper Colorado River Commission will begin holding small and large group meetings and recommended that A. Chavez participate in the large group meetings. R. Schmidt-Petersen New Mexico Interstate Stream Commission will also formally engage selected New Mexico stakeholders on all of the above. Plus, upcoming Lake Mead and Powell post 2026 operations.

R. Schmidt-Petersen said he initiated a scope of work to improve and add to the existing river and canal gauging on the Animas River from the New Mexico state line down to Farmington, to help with proposed SJWC procedures for releases of water from Lake Nighthorse. R. Schmidt-Petersen said within that framework, the Bureau of Reclamation and the USGS are helping to put in one more river gauge on the Animas River near Penny Lane and a couple of gauges on the canals that feed Lake Farmington. R. Schmidt-Petersen said they will share the information with the SJWC staff and work with the staff to look at *What If* scenarios and *Model* scenarios to help the SJWC optimized its ALP procedures and operations. R. Schmidt-Petersen said during long drought periods there is not really a back-up supply of surface water besides Navajo Reservoir, Lake Nighthorse, or Lake Farmington. R. Schmidt-Petersen said the Bureau of Reclamation has made it clear to the State of New Mexico that they won't engage in Top Water Bank related activities until they feel the State of New Mexico has a better handle on how much water is being consumed below Navajo Reservoir. R. Schmidt-Petersen said he hopes to set the stage to defend a Drought Response Operation Agreement or Demand Management Storage to the Bureau of Reclamation and the Lower Basin States.

Vice-Chairman J. Burnham said he appreciated the information given by both R. Schmidt-Petersen and Dominique Work. Vice-Chairman J. Burnham said we have to have information to prove that we're delivering water as it should be delivered, that we are using our correct permitted amounts of water, and that we are not using someone else's water. J. Burnham said it is always positive to receive good information.

R. Schmidt-Petersen agreed and said, you need to know where your water is in order to manage it.

A short discussion that followed the ISC's presentation focused on topics including; gauges on rivers and canals and how information obtained from gauges can help protect our water supply, the importance of full documentation of water usage, the possibility that over diversion of water is taking place, how much water is returning to the river (Return Flow Plan), and water supply vs. diversion amounts.

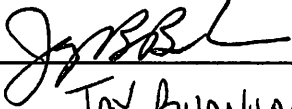
A. Chavez said the Commission appreciates the goals of the ISC to help develop the water supplies in the state. R. Schmidt-Petersen complimented the San Juan Water Commission staff for their professionalism and said he looks forward to continuing the relationship. J. Burnham thanked R. Schmidt-Petersen and Dominique Work or their [combined] presentation, and expressed that he would like to see staff continue to be involved in the ISC's projects.

ADJOURNMENT

There being no further business, Vice-Chairman J. Burnham adjourned the meeting at 11:00 A.M.

APPROVED THIS 2ND DAY OF OCTOBER 2019

SAN JUAN WATER COMMISSION:



JAY BURNHAM
VICE CHAIRMAN