

MINUTES
of the
182nd COUNCIL MEETING
Best Western Abbey Inn
St. George, Utah
September 30, 2016

Table of Contents

Welcome and Introductions	4
Approval of Minutes	4
Utah Water Issues	4
Water Related Activities at the Department of the Interior	6
WestFAST Report and Workplan.....	8
Committee Reports	
A. Water Resources Committee.....	10
B. Executive Committee	10
C. Water Quality Committee	10
D. Legal Committee.....	10
Future Council Meetings.....	11
Sunsetting Positions for Spring 2017 Meetings.....	11
State Reports	11
Other Matters	16

**MINUTES
of the
182nd COUNCIL MEETING
Best Western Abbey Inn
St. George, Utah
September 30, 2016**

MEMBERS AND ALTERNATES PRESENT

ALASKA	David Schade
ARIZONA	Einav Henenson
CALIFORNIA	Betty Olson Jeanine Jones Tom Howard
COLORADO	James Eklund
IDAHO	Jerry Rigby John Simpson
KANSAS	--
MONTANA	Tim Davis
NEBRASKA	Jeff Fassett
NEVADA	--
NEW MEXICO	--
NORTH DAKOTA	Garland Erbele Jennifer Verleger
OKLAHOMA	--
OREGON	--
SOUTH DAKOTA	--
TEXAS	Jon Niermann Jim Rizk
UTAH	Norm Johnson Eric Millis

Walt Baker
Alan Matheson
Erica Gaddis
Kent Jones
Boyd Clayton

WASHINGTON

--

WYOMING

Pat Tyrrell
Steve Wolff
Kevin Frederick

GUESTS

Tom Iseman, U.S. Department of the Interior, Washington, DC
Jordan Bunker, Southern Nevada Water Authority, Las Vegas, NV
Jim Fredericks, U.S. Army Corps of Engineers, Portland, OR

WESTFAST

Patrick Lambert, Federal Liaison, Murray, UT
Sonya Jones, U.S. Geological Survey, Atlanta, GA
Chris Carlson, U.S. Forest Service, Washington, DC
Becky Fulkerson, Bureau of Reclamation, Washington, DC
John D'Antonio, U.S. Army Corps of Engineers, Albuquerque, NM
Roger Gorke, U.S. Environmental Protection Agency, Sacramento, CA
Veva Deheza, National Oceanic and Atmospheric Administration, Boulder, CO
Bradley Doorn, National Aeronautics and Space Administration, Washington, DC

STAFF

Tony Willardson
Michelle Bushman
Sara Larsen
Cheryl Redding

WELCOME AND INTRODUCTIONS

WSWC Chair Jerry Rigby welcomed those in attendance at the meeting.

APPROVAL OF MINUTES

The minutes of the meeting held in Bismarck, North Dakota on July 15, 2016, were moved for approval. The motion was seconded and the minutes were unanimously approved.

UTAH WATER ISSUES

Alan Matheson, Director, Utah Department of Environmental Quality and Chief Environmental Advisor to Governor Gary Herbert, addressed the Council. He provided an introduction to Utah's water challenges recalling lessons learned on a Colorado River trip with WSWC Member Bill Staudenmaier. Floating down the river you encounter huge boulders that form obstacles around which the water flows, but over time the persistent rush of the water continues to work and eventually the boulder yields. When it comes to thoughtful water policy, we encounter challenges and obstacles all the time, but we persist and hopefully make decisions that benefit future generations. Alan praised the good work of the WSWC, which he had the opportunity to see first-hand as the Chair of the Staff Advisory Council (SAC) to the Western Governors' Association (WGA) when Governor Herbert was the Chairman. Alan described a number of Utah's water challenges and its ongoing water planning process, noting that water is the lubricant of Utah's economy.

Utah is the second driest state and has one of the faster-growing populations in the nation. It is expected to double in the next 35 years. Looking at the climate models, Utah lies within different zones and we're not sure of the long-term results of climate change. Although, all the maps show Utah in bright red predicting severe water stress. With federal funding running short, we are looking toward more local funding. Utah sought to develop a sustainable water policy flexible enough to adapt to an uncertain future.

Governor Herbert has directed that we get out in front of the challenges rather than wait and see what happens. Using a tool called "Your Utah, Your Future," we engaged with local residents in a cooperative effort to develop voluntary, locally-implemented, market-driven vision. We selected several topics, including jobs, air quality, agriculture, disaster resilience, education, energy, recreation, transportation, public lands, taxes, water, and housing. We surveyed 53,000 Utahns, not only on what topics were most important to them, but also why they care about those things. Water ranked near the top of concerns, just under jobs and the economy. Utahns want plentiful, readily available, and affordable water for food production, community growth, and economic development. They also want clean water to support nature and to be good stewards of the environment.

Experts from across the state were divided into eight teams to shape potential scenarios for Utah's future growth, based on the feedback from surveys and town hall meetings, which were synthesized into white papers. They developed a set of five potential growth scenarios, with varying water strategies and ideas from the initial broad input to provide a framework for public feedback. The different scenarios allowed us to think about the future in different ways, to explore a range of options and policies. Four of the five scenarios assumed that we would

develop an adequate water supply for the next generation. Utahns are willing to spend money to conserve water, changing landscapes and vegetation and installing drip irrigation systems. There was no consensus on the scenarios, but preserving agriculture and ensuring food security was the highest priority, with water for streams, lakes and wildlife coming in second. There is a small majority that supports the controversial Lake Powell Pipeline project to increase water supply for Washington County.

We asked serious questions and looked at hundreds of water strategies and tried to rank them, trying to develop some tools. What should we do to preserve natural systems in the face of increasing water demands? How will climate variations influence water allocation? We do we have to do today to ensure we have water? What should we do to assure sufficient land and water for food production?

How do we ensure our water quality? We have the same resources managed by different agencies with different philosophies, and that lack of coordinated effort has detrimental impacts on water quality. We developed five pillars of the Utah nutrient strategy: adaptive management technology based limits; headwaters criteria development; funding for agriculture; prioritization for criteria development and recovery potential; and optimization of existing facilities. Several recent events underscore the importance of our water quality strategy. The Utah Lake harmful algal bloom over the summer impacted water going down the Jordan River that is pulled into canals. The Gold King Mine spill was an eye opener for many, as well as other abandoned mine discharges. This is an ongoing and very real challenge. We also have the Great Salt Lake, which is a terminal lake that causes challenges for us. Our strategy for the Great Salt Lake covers things like numeric water quality criteria, wetlands, strategic monitoring and research, communication, and acquiring the necessary resources to implement the strategy.

Another question has been the state's role in conservation. Utah has very high water use on landscapes, and there is social resistance to changing that. We've made real progress to help us decrease our water use via the Division of Water Resources educational outreach. Millennials want to live in smaller communities. Average lot sizes have decreased by 22%, with a corresponding percentage reduction in water use. We're working on the role of urban planning, such as removing regulations on minimum lot sizes, etc.

Our existing infrastructure is wearing out. How will we fund rehabilitation and replacement of existing infrastructure? How will we plan and fund new water infrastructure? As we grow, we have new water development needs and new water distribution needs, and growth can be limited by insufficient infrastructure. We also need to identify water supplies for increased agricultural needs.

The water planning team co-chairs are now looking over the recommendations and trying to find compromise language that we can all agree to. Hopefully in coming months we will send a final set of recommendations to the Governor. We need to continue to think ahead. Fortunately, groups like the WSWC are working to help us bridge the gap. Thank you for your work and let's keep it moving!

Tony expressed his appreciation to Alan, and the ability to work with him.

WATER RELATED ACTIVITIES AT THE DEPARTMENT OF THE INTERIOR

Tom Iseman, Deputy Assistant Secretary for Water and Science, U.S. Department of the Interior, addressed how the federal agencies are coordinating and leveraging their programs under the National Drought Resiliency Partnership (NDRP). They are evaluating their performance and focusing on small-scale programs that save water. He welcomed input on the Landsat 10 launch, discussed an upcoming reorganization of USGS, and provided an update of recent work in the Colorado, Columbia, and Republican River Basins. He also noted the importance of WSWC's involvement in the Administration transition, emphasizing both western issues, as well as continuing the strong state-federal relationships.

Since the White House Summit in March, the federal agencies have done a lot of work on drought resilience, with the guidance of the 6 goals of the Presidential Memorandum and 27 federal actions to assist states and local communities to build drought resilience. The agencies have provided several reports and updates, including a session on September 21 that Tony attended and made some great contributions on behalf of WSWC. There will be another session on October 6. It is impressive to see how the agencies have been able to move the ball forward on these six goals. The NDRP has proven to be an excellent venue for ongoing collaboration, not only among the federal agencies, but also between the federal and state agencies, similar to the way WestFAST operates with WSWC. This provides a venue for you as states to press your priorities and issues relating to drought resiliency and help shape how the federal agencies move going forward.

One of the specific NDRP actions has been a commitment for DOI and USDA to work more closely together on their water conservation and efficiency programs, identifying common concerns and opportunities to better leverage the WaterSMART and EQIP programs to achieve the best outcomes for agricultural communities and other water users. They are looking for ways to approach financing and outside investments for infrastructure.

The WaterSMART program ramped up in 2009, and we've been taking stock of what has been accomplished and how the programs are performing. The program includes the basin studies, Title XI program, drought resilience program, cooperative watershed management program. It also includes the USGS water availability program to provide water to communities and how water supplies are used. The WaterSMART progress report shows where the investments and accomplishments have been made, where lessons were learned and how to fine tune the program going forward. Several rounds of funding are coming up, which should already be familiar to many of you. WaterSMART grants will be available in October/November with Title XI grants of about \$20M, and the drought response program funding Phase 2 projects in February with amounts of \$4-\$5M. If you are interested, we have a great program staff in Denver who can assist people as they prepare applications for those grants.

We just put out an announcement to focus on some small-scale water resource projects, with an interest is showing the value of these smaller systems in saving water. The opportunities are for entities to demonstrate their efficiency and value. We are seeking input from the public on how to strengthen these programs.

Pat Lambert talked yesterday about the USGS Water Census and the Colorado River Basin report. The NDRP Drought Portal should be available soon, which is intended to help communities think about drought.

Landsat information has been useful for water use planning, invasive species, fire recovery, landscape recover. We've been thinking about evapotranspiration and other purposes. We are currently looking at the budget and trying to figure out how to move forward the launch of the Landsat, to fulfill our mission partnership with NASA. We have a Request for Information on the important attributes of Landsat 10.

The USGS has been working toward changing its organizational structure. The sub-disciplines have been in place since 1898, and USGS is shifting to four core disciplines, with a goal to complete the reorganization by October 2017. We would be happy to discuss the reorganization with WSWC.

James Eklund asked about the watershed management program timeline. Tom indicated that this was one of the issues that should be published for comment in January 2017.

Other important work includes drought contingency planning in the Colorado River Basin. We are working with states and stakeholders on the operations of the Glen Canyon Dam. We've reached the end of the EIS process for the Long-Term Experimental and Management Plan (LTEMP) for water delivery operations at Glen Canyon, affecting hydropower and the ecosystem. Secretary Jewell has spent time on the Colorado River with USGS. Water conservation efforts and voluntary reductions in the lower Basin have resulted an elevation rise of ten feet in Lake Mead.

The Department of the Interior entered into a Memorandum of Understanding with California to work on management of the Salton Sea issues.

The Columbia River has fourteen federal dams that impact the salmon runs, and we have a new biological opinion from NOAA with actions to avoid harm. Reclamation and the Corps are working together on a scoping process for the Columbia River System Operations EIS.

On the Republican River, Reclamation and the states have been working together to manage Republican River Compact compliance.

In Utah, we have the USGS Water Science Center, operating an extensive stream-gage system for flood warnings and other information, keeping track of groundwater with 800 wells. We have a high-capability partnership in the Central Utah Project, with Reclamation and the Utah Water Conservancy District. We are also working on Ute Tribe Indian water right settlement.

With the upcoming election, we are preparing for the transition with guidance memos and getting the various programs and staff ready for the new Administration. External relationships with WSWC and other groups are important partnerships, and are influential in water resource issues important to the West. WestFAST and NDRP act as venues to convey issues directly to

the multiple agencies, and you have taken advantage of those opportunities. It's important to stay active, visit Washington, DC, and highlight these issues and your priorities for the new Administration. We've had the benefit of many experienced people going back and forth between state and federal agencies, strengthening those relationships.

I enjoyed Alan's presentation. He closed with the idea of building bridges to the future. That is really important. I see that many times the department is trying to deal with the issues directly in front of them – such as drought, emergency management, lawsuits – and it's difficult to think about the future. WSWC plays an important role in pointing us to the future and how best to deal with managing and investing in infrastructure and other long-term needs. The agencies need to be reminded often, but the transition to the new Administration is one good time to do that. I hope we will continue with those efforts.

Pat Tyrrell: The system conservation pilot program in the Upper Colorado River Basin has gathered momentum and interest, along with outside investment dollars. The goal was to develop a system of water supply through demand management. We struggle with the management of that program and what it will look like going forward, since this isn't really a Compact Commission role. We're thinking of a long-term institutional framework that looks something along the lines of the Salinity Control Board. Would something like that qualify for any of the grant funding you mentioned?

Tom Iseman: Yes, I think it could. I think it could qualify for a couple of the grant programs.

Jerry Rigby: We train good people and then they go back East, but the good part about that is they don't forget their roots. WestFAST has helped us resolve a lot of things.

WESTFAST REPORT AND WORKPLAN

Roger Gorke, EPA and WestFAST Chair, talked about how WestFAST has been beneficial across agencies, providing a forum for them to work together and to have points of contact and shared resources. Other programs look to WestFAST as a model. Working with WestFAST and the Council has been remarkable.

I will pick up on what Tom said – WestFAST can do a good job of talking to the new Administration about the priorities and needs of the Western states in the upcoming transition, but it is orders of magnitude more valuable for the agencies to hear it from you all. We've enjoyed a tremendous benefit, having people like Tom Iseman, Jennifer Gimbel, others with Western water knowledge to provide leadership in these agencies. There is a huge learning curve for people as they come into these positions, so we need to keep educating and improving things. We also need to continue to educate ourselves. It makes our government work better.

The NDRP is an example of how that type of collaboration is becoming more the norm, rather than going back into our separate silos. We're coming up on WestFAST's tenth year, which is a testament to the effort the Council has put into demonstrating the value and importance of the state-federal relationships.

Pat Lambert will be leaving after two years. He is leaving very big shoes to fill. We've gone through a recruitment process for the new liaison, but we've run into some issues in the legalities of the interagency funding process. Hopefully we've worked through that process this year, and will have the new liaison in the office. Pat will be transitioning back to his USGS duties.

Pat Lambert said he is officially only in this position for about 12 more hours. It has been a privilege and an honor to serve in this position. It has been a great and very educational experience for me. I have a lot of new contacts that will benefit me. It seems like it has only been a short time. Nathan Bracken and I once had a very enlightening conversation about the connectivity of surface and groundwater. Nathan said, "It's not about the science, it's about the law." As I came into this role, the primary concern for then-WSWC Chair Pat Tyrrell was that the state relationship with the federal government was eroding and diverging. Sometimes our efforts to improve those working relationships has felt like taking one step forward and one-and-a-half steps back. That said, the core concept of WestFAST is functioning. We've built relationships and know each other as fellow WestFAST members as we attend other meetings, and we learn about one another's activities as we provide routine updates. We have had Brad Doorn from NASA, Becky from Reclamation, Chris Carlson from USFS, and Veva from NOAA participating here. There's a WestFAST spirit that has grown and is permeating several of the federal family agencies, and you should be able to see the influence of the Council embedded in what the agencies are doing. The verbiage in federal agency drought plans is lifted from the WSWC Vision Statement, and WSWC input has heavily influenced the direction the agencies are going. We see the potential for the state-federal water data exchanges. The WWAO will be cross-cutting between federal agencies.

There are important items for WestFAST moving forward: The non-tribal federal water rights working group is an important team that has a lot of potential to resolve state-federal water right issues. We are working on extending additional demonstration projects on water planning in Oklahoma. We tried to push the concept of how WaDE would work with the federal agencies. Sara has a better idea for demonstrating how WaDE can benefit the USGS and state agencies. Collaborative use case studies are moving slower than anticipated, although the surveys are ready to go out. We have a framework in place to continue forward with each of these issues, and I'll work with the next liaison on that. I will be around, working with USGS on their water Availability Use Program, and will maintain that connection with the WestFAST team as a backup member for Sonya Jones.

Pat Tyrrell: I was lucky to have Pat as the WestFAST liaison during my term, and I appreciate every bit of Pat's service.

Jerry Rigby: I echo past Chairman Pat's comments. At our meeting back in DC, co-chairing with the federal group, hearing those high ranking individuals from those agencies expressing appreciation to WSWC, it became clear that we've made progress with WestFAST's help.

Walt Baker: As we look forward to the transition, I think we need to have the retention of WestFAST as one of our priorities. There will be new faces unacquainted with our group. It is incumbent upon us to work with our liaison and we don't want to lose the progress we've made.

COMMITTEE REPORTS

A. Water Resources Committee

Tim Davis briefly reviewed the Water Resources Committee meeting. Motion to approve Position #356 and Position #357. Jennifer Verleger provided a second. Motion approved.

B. Executive Committee

Jeanine Jones reviewed three items. (1) Council staff will draft some transition documents, and Executive Committee members will submit three items from their respective states that are their highest priorities. (2) The budget is in good shape, but keep in mind that we are planning for a dues increase in 2018. (3) In our strategic planning meetings for the future of the Council, we've identified the most important service these meetings provide, including interaction among states, and working with federal partners and NGOs. For the next meeting we are asking each state to provide, in advance, a one page bulleted list of updates and challenges in each state to be distributed with the briefing books, with the intent that this may facilitate earlier discussions during the week rather than waiting until the state reports on the last day. We will also shift the Host State presentation to Thursday morning, prior to the committee meetings, for the same reason. The Executive Committee's Federal Budget Subcommittee is looking at positions to support federal agency budgets, and will engage WestFAST in that activity.

C. Water Quality Committee

Kevin Frederick reported the committee agreed to allow Position #359 to sunset. Look forward to more conversation via email for the Water Quality Committee to pass on priorities to Executive Committee members for the new Administration's transition team. He also acknowledged Don Barnett's excellent presentation on the Colorado River Basin Salinity Control Program.

D. Legal Committee

Jennifer Verleger reported that Position #358 on adjudication fees was recommended for approval. A motion to reaffirm the position was seconded and approved. Norm Johnson provided an update on Utah's legal issues and water rights settlements, Nathan Bracken talked about the judicial Dividing the Waters program, and we had our legislative and litigation update, with several cases including WOTUS.

Jerry thanked the chairs for their work. He then read a resolution of appreciation for J.D. Strong into the record. He threw in a "Whereas, J.D. has been a great source of entertainment to the Council." The motion was approved by acclamation.

Pat Tyrrell reported on behalf of the nominating subcommittee regarding the Secretary/Treasurer vacancy left by J.D. The motion to fill the position with Tim Davis from Montana was approved by acclamation.

Tony presented two additional resolutions of appreciation, for Pat Lambert as WestFAST liaison, and for Tom Iseman. He read the resolutions into the record, and both motions were seconded and approved by acclamation.

FUTURE COUNCIL MEETINGS

Tony reported on the next meeting in Nebraska City, Nebraska, April 12-14. Flights into Omaha will probably be more convenient than Lincoln. We are trying to work out a trip on the Missouri River. Jim Macy, Nebraska DEQ, will be helping with hosting. There will be an opportunity to look for ways to deal with the transition, and think ahead from the agenda standpoint to see if there are appropriate personnel we can get from the new Administration to attend the Council meeting.

Future meetings – We will be making visits to Washington, D.C. with the WSWC officers and anyone else who can join us. The summer meeting will be Tuesday – Thursday in Sonoma, CA. Jeanine says we’ll see some water reuse in wine country. New Mexico will host in the fall. In 2018, we are looking at our spring meeting in Washington, D.C., summer in Oregon, and fall in Idaho.

SUNSETTING POSITIONS FOR SPRING 2017 MEETINGS

Tony and Jerry reviewed the topics of the sunseting positions under Tab XYZ that will be taken up at the spring Council meetings. We don’t want to limit our policy positions to just those we have already taken. Look at these positions and determine if there is anything else we want to include. Contact Tony on any additional policy positions or statements you would like to bring before the Council.

STATE REPORTS

Utah: Walt Baker - One of the big things we are dealing with in water quality is the Great Salt Lake. It is shrinking to historic lows on the south side. Salinity is up to 25% on the north arm, which makes the mineral extraction industry happy. The south arm of the lake is at 14% salinity, which is concerning the brine shrimp industry and is impacting ecology and boating. We are in hunker down mode. There are two openings between the north and south arms, with a project to replace the culverts, with a bridge opening for the railroad. The environmental community, mineral extraction industry and brine shrimp industry are at odds over whether to keep the causeway open or permanently close it. We are working with communities to address harmful algal blooms. Lake temperatures and levels are outside our control, but we can do something

about controlling excessive nutrients as a food source. Our integrated water quality report is now out for public comment, with more waters listed as impaired due to pollutants, low flows, and other reasons.

Eric Millis - It has been a pleasure having you here. We had an audit last year that looked at water data and our M&I planning programs that rely on that data. We thought we were in good shape, but knew as we approached more complex decisions we would need better data. Our water suppliers have been haphazardly reporting data and are inconsistent from year to year, so about 60% of our data is in good shape. We've improved our data reporting forms for water suppliers and rural water users associations. They've been collecting and reporting data every five years. The 2015 data was put together in record time, and we decided to gather and report data on a yearly basis going forward. We have some degree of support from the legislature and the water community.

Alaska: David Schade – We have approval for Alaska to be reinstated as a full member of the Council, but securing funding after a \$3.4B deficit last year, and getting appointments continues to be a challenge. We're dealing with a very fluid political system. The Governor is independent, with a hybrid administration, so the usual rules don't seem to apply. There's a push for the \$60 million AKPNG gas pipeline across the state, which will provide great mining prospects for the state, but it is also an extreme drain on the state agency resources. We're making regulatory changes for water use to make it more efficient, and we received over 1,000 comments that we're sifting through. We've learned that sometimes even our own state departments don't communicate very well, as Environmental Quality has worked on outstanding waters, conservation, invasive weeds and water impairment challenges, without recognizing that the Department of Natural Resources has sole authority over the use of water. This group is fantastic. It has been a wonderful week, and Utah has set a high bar. Thank you all.

California: Jeanine Jones – The new groundwater law (SIGMA) enacted in 2014 puts the onus on the state departments, DWR and SWRCB, to manage groundwater under state direction. The agencies will handle early implementation, providing funding and addressing failures and problems in the 127 basins impacted. Next year, local agencies in the designated basins will decide who is going to be the manager of the groundwater basin, which will pit some county and local agencies against each other. DWR is providing facilitation services for the local agencies, which is taking a lot of time. California is finishing the state water year today – for our 5th dry year. There's been a lot of angst over water temperatures for the management of salmon. The Central Valley Project has a 60% allocation of water

Tom Howard – We established emergency regulations for water conservation during the drought, with mandates for water use reduction from 8% - 36%, depending on the community and current use. Surprisingly, they had nearly full and instantaneous compliance across the board. We're also taking a closer look at the Public Trust Doctrine.

Betty Olson – The water utilities received all the regulations provided by the SWRCB, and are increasing their rates or projecting funding from operations. The new word in Southern California is "30 x 30" meaning a 30% increased efficiency by 2030. The expense of the projects is dramatic for local water agencies, and emphasizes the importance of the state

revolving fund. Many water utilities are moving from water sales revenue into a fixed cost revenue to maintain their water infrastructure even with decreasing water use. Customers are oftentimes not pleased with these changes.

Idaho: John Simpson - The State adjudication on the Snake River Basin is nearly completed. The remaining water rights are contentious but few. We are moving forward with a sustainability policy in conjunctive management, attempting to set benchmarks on groundwater, so that the surface and groundwater users can coexist and work together rather than continuously litigating. We're taking a closer look at refill storage rights and our options, whether Reclamation reservoirs can continue to fill for a second time to the detriment of natural flow water users. The district court decisions don't look favorably on the original right having a second fill with the same priority. The Snake River water year looked good with the snowpack, but the water came off in a fashion that helped natural flow users but was bad for storage dealing with a flood control event. This impacted the feasibility studies for the reservoirs. Climate variability has made us look at potential management challenges for the future--if there is more rain than snow, if it is to the detriment of storage, how are we going to handle that? Idaho wants to get out ahead of this issues. We're struggling with the Columbia River Treaty. We now have partnerships with fisheries, the Columbia Basin Partnership, and we're looking at another Salmon Summit to get folks to the table and find identifiable goals for fish recovery. We're also working through issues with our neighboring states. We have a 25-year-old settlement with native American tribal rights. Implementation is difficult and is still a struggle as we try to define terms in the settlement. At the time of the settlement we were unable to successfully negotiate every provision, so we kicked the cans down the road. Water is even more scarce now than it was then, and those cans are making a lot of noise.

Nebraska: Jeff Fassett – Nebraska is an agriculturally oriented state, but we've been recruiting value-added industries to improve our economic development. CostCo wants to build a gigantic chicken processing plant to supply 300,000 chickens a day to CostCo's across the country. Along with the economic benefits, we are dealing with the added waste. Nutrients are a serious issue with 8 million acres of irrigated land. We have areas where the nutrient levels are higher than limits, affecting many small rural areas. We are slowly polluting our significant groundwater resources with the nutrient load, and many domestic wells are no longer useable, requiring the installation of rural water systems. We're educating irrigators. We've been following many of the states' water planning activities, thinking through strategies we've observed from other states, what we've heard from Utah and Colorado. Nebraska has dual jurisdictions between state agencies and 23 resources districts that regulate groundwater independently from the state. There are 22 local planning processes developing simultaneously. So we are working on a water strategy as opposed to a state water plan. We have regional planning on a river-wide basis happening as well. We're trying to guide many of the local entities to ensure quality plans. Local water entities are like the local school board, but they are not good at saying "no" to the locals. They need to learn to take stiffer actions if they are necessary, and the state is okay with being the bad guy if needed. The Bureau of Reclamation, Nebraska, Colorado, and Kansas working on the Republican River Compact. There is no federal involvement in the interstate compact, only the states get a vote on how the compact is administered. After two years of face to face meetings, and with some heavy changes by the states, we finally reached closure. Irrigated acreage will be decreased by 25,000 acres in Colorado and Nebraska will augment

streams and reduce irrigation in order to make the Compact work. The state frustration has subsided, but we ran into some frustration with Reclamation, which has to walk a difficult line between water users of three different states. Reclamation has been more proactive lately, and that partnership has helped. The water basin is driven by rainfall rather than snow, so operating conjunctively is really important.

North Dakota: Jennifer Verleger – We’re still looking at large budget cuts due to oil and gas declines. A new Governor will be elected in November, and will most likely be a Republican. The legislative session will begin in January, and it will likely be a contentious session. No specific water bills by the Commission will be introduced, but the interim water committee is dealing with water district eminent domain authority. Currently the landowner can challenge the amount of compensation, but the land transfer occurs immediately. The protests continue over the Dakota access pipeline going under Lake Owahee. The roads are shut down, people are being arrested every day, and there is significant media coverage. The Public Service Commission is being blamed for now, despite the studies and permitting done by the State Engineer. We’re hoping the cold winter calms down the protest.

Texas: Jon Niermann – Our water supply is good right now. Central Texas is relatively green, and Lake Travis is full. The Texas Commission on Environmental Quality recently proposed rule revisions on coliform, which will impose costs on the utilities that would implement the new rule, but there are significant benefits as well. We’re working on a fee study that was mandated by the legislature, and we are presenting suggestions on how Texas might administer a more equitable fee structure. Right now we are overwhelmingly funded by fees, with less than 10% coming from general revenues. The Penny per Quart fee is used to address oil pollution. We want to ask the legislature to redirect those monies to other areas.

Wyoming: Kevin Frederick thanked Utah for hosting and for their presentations; we always learn good things from each other. Our DEQ recently provided testimony to our legislative committees with respect to the EPA-USGS draft hydrologic report that came out two months ago. DEQ’s primary concern is the suggestion in the draft report that the CWA environmental regulatory authority could be used to regulate flow. We commented to EPA on the draft report, and it will be interesting to see what happens.

Pat Tyrrell – Wyoming’s budget has a \$250M deficit, and the agencies have taken significant cuts, including \$2.2M in the State Engineer’s office, a 10% cut. Our office is down 12 positions, and so far we’ve been able to handle that through attrition. The agency moved locations during construction while they refurbish the Capitol building for fire safety, communication, office size and other things, and there may be another move before we get back into the Herschler Building. We had a poor late winter snowpack and late April rains, and then from June to September we had very little rain. We’ve had to issue two groundwater orders of interest in the past two years. The first order requires all wells to have meters by the 2017 water year starts tomorrow. Our auditing process starts next week, and about ½ of 600 wells that need metering do not have them. Seeking compliance may be a bit of a rodeo since we’re meeting with some resistance. The Horse Creek area order deals with conjunctive use and has similar metering requirements. We will begin collecting data on wells and surface measurements of

weirs and ditches, due by November 15 so we can determine whether to extend or modify that order for next Spring.

Montana: Tim Davis thanked Walt, Eric, Norm, Erica, and others on a fabulous meeting and a beautiful state. The Montana Supreme Court recently issued a decision on exempt wells that closed the door on multiple wells and threw out the combined appropriation loophole that allowed developments to use exempt wells. Our Governor is up for election, but could be re-elected. We have 14 bills on water drafted for the upcoming legislative session. We're looking at our DEQ assuming CWA §404 dredge and fill authority. The NDRP national effort includes a demonstration project in Montana on the Missouri. After the initial struggle, Reclamation stepped up with some funds, and Montana received a number of Water SMART grants and EQIP funds to proceed the basin study and project. EPA, NIDIS, and FEMA have been involved, playing a larger role in preparing for drought, floods, and pre-disaster mitigation.

Colorado: James Eklund – Thanks to Utah for your hospitality and this remarkable territory. Colorado has been implementing our Water Plan. If our other states engaged in developing a state water plan and you wonder what it's like to be the dog that finally catches the car, we've discovered that there really isn't a finish line. It is ongoing work that never goes away. We have learned many lessons we're willing to share if you're facing the same dark chasm. We've laid out measurable objectives for storage and conservation to deal with the agriculture and industrial supply-demand gap, and are projecting zero as our gap by 2050 even with growth. In the South Platte Basin we are working on storage studies and other efforts to add 500,000 acre feet, and innovations to become hyper accurate in our water management there. We reached out to Arizona and other states to see what Colorado can do with storage in aquifers. We've been doing groundwater recharge work in the Front Range area. We're changing our management regime to be more lean and agile and to limit waste, to cut down on the costs and time for projects to obtain the necessary permitting. We're also putting together a Memorandum of Agreement to streamline CWA and wildlife responsibilities. For municipal subdivisions purchasing water out of agriculture, we're seeking to accelerate alternatives, because buy and dry is economically disruptive to the agricultural communities. Watershed, basin, and stream management plans are only about 1% completed, and we're working toward 80% coverage by 2030. The Upper Colorado River Basin has good water contingency plans. We're starting a water data hub in Colorado and looking forward to working with Sara on WaDE. Regarding the earlier presentation on the INCAR project in San Luis Valley at the headwaters of the Rio Grande, we need radar installed in the mountainous areas to cover the black holes and build on the success of the project. I've asked Tony to write a letter supporting this concept, which can impact multiple states and involve local coalitions and regional partnerships. We appreciate Utah and other states working on this together.

Arizona: Einav Henenson – We've been working on voluntary water use cuts in the Lower Colorado River Basin, trying to get everyone on board. We've had a long, sustained drought on Colorado River. Senator Flake presented a bill with language prohibiting conserved water from these voluntary cuts to be given to other states. In the meantime, the Department of the Interior has pledged not to give any of the water away without the consent of the states, so the water can stay in Lake Mead and benefit the system. The Arizona Management System (similar to CO's "Lean" team) has had a tremendous effect in cutting waste. The state agencies are looking at how

to better serve our customers, reviewing our efficiency, management, waiting time and waste of resources.

OTHER MATTERS

Jerry thanked the sponsors. He also thanked Tony and the staff for their work.

There being no further matters, the meeting was adjourned.