DRAFT MEETING NOTES

LCR MSCP Steering Committee
May 13, 2005
Las Vegas, Nevada

The next meeting of the Steering Committee is scheduled for 10 a.m. Wednesday, June 22, 2005 at McCarran Airport, Las Vegas (rooms 4 and 5 on the mezzanine floor above the Alaska Airlines ticket counter).

Attending:

Lorri Gray
Laura Vecerina
Glen Gould
Steve Spangle
Lesley Fitzpatrick
Bill Grossi
Jean Gray
Clare Douthit
Bill Werner
Charles Paradzick
Tom Hine
Walter Bray
Douglas Miller
Theodore Cooke
David McHenry
Bill Plummer
Doyle Wilson
Kathryn Sorenson

Noble Wade
Maureen George
Ray Hedrick
Donald Pope
Jerry Zimmerman
Chris Harris
Monica Schwartz
Larry Purcell
Chris Hayes
Laura Simonek
Joe Vanderhorst
Paul Selzer
Daniel Pearson
Robert Micalizio
Michael Remington
Vikki Dee Bradshaw
Phil Lehr
Janet Monaco

Jack Stonehocker
John Sjöberg
Holly Cheong
Kerry Christensen
Gary Hansen
Fred Worthley
Mark Biddlecomb
Michael Langley
Kent Turner

Rob Thomson
Paul Cylinder
Jerry Cormick

Telephone
Sam Spiller
Ron Derma
Matt Spriggs

1. ADMINISTRATIVE MATTERS

The meeting convened at 9:00 a.m. with Lorri Gray in the chair.

The Chair noted that there were a number of representatives present who had not been directly involved in the development of the MSCP and requested that each person present introduce themselves in terms of their organization and role on the Steering Committee. Based upon the introductions it was determined that there was a quorum.

The agenda was reviewed without changes

No public comment was offered.

PROJECT
CONTROL NO. 07009402
FOLDER I.D. 1027221
KEYWORD

2. ELECTION OF OFFICERS

Gerald Zimmerman was elected Chair and George Caan was elected Vice-Chair of the Steering Committee by acclamation.

Gerald Zimmerman thereupon assumed the chair.

3. MOTION TO ACCEPT ASSIGNMENT FROM LCR MSCP STEERING COMMITTEE

The following motion was approved by consensus (moved by Tom Hine, seconded by Jon Sjöberg)

***WHEREAS**, the original Lower Colorado River Multi-Species Conservation Program (LCR MSCP) participants have concluded their business under the June 26, 1996 LCR-MSCP Program Agreement and have taken the appropriate action to discharge its Steering Committee in favor of this Implementation-based Steering Committee as prescribed and defined by Section 7.3 of the Funding and Management Agreement adopted on April 4, 2005, and referenced above; and,*

***WHEREAS**, there are residual transition tasks and unfinished business that are appropriate for the Implementation Steering Committee to assume in carrying out its responsibilities and day-to-day business,*

***WHEREAS**, the acceptance of such responsibilities are consistent with the role of the Implementation Steering Committee, as prescribed and defined by Section 7.3.11 of the adopted Funding and Management Agreement,*

***THEREFORE BE IT RESOLVED**, that the LCR MSCP Implementation Steering Committee accepts the transition tasks and responsibilities of the original Steering Committee and agree to complete such tasks and responsibilities in a timely manner.*

The meeting notes from the April 5, 2005 Steering Committee were then approved, with minor edits, by consensus (moved by Bill Werner, seconded by Jon Sjöberg).

4. STEERING COMMITTEE ADMINISTRATIVE MATTERS

Lorri Gray provided an overview of the Steering Committee process, based upon a draft summary of procedures prepared by Bill Werner (attached). Items covered included:

- The role of the Steering Committee in relation to the Bureau of Reclamation and the Program Manager
- The responsibilities of the Steering Committee, including review of work plans, budgets and contribution schedules
- The use of consensus for decision-making

- Procedures for identifying and resolving disputes in the absence of consensus.

It was noted that, in the absence of a dispute, the Program Manager's decision is final. However, it is the Bureau's intent to work with all stakeholders to ensure the best plans and decisions are made and that the program is a success.

Draft By-Laws were handed out and comments requested by May 27th (Note that the due date has since been changed to 6/3). An electronic copy of the By-Laws will be distributed the week of May 15th. Any editorial or other changes should be sent to LVecerina@lc.usbr.gov. Should there be major issues raised, a teleconference will be scheduled. It was noted that some language in the By-laws is directly borrowed from the FMA and that language is not subject to modification.

The FMA & IA will also be distributed via email the week of May 15th. It was noted that the FMA & IA will show all signatures except for that of the Los Angeles Department of Water and Power which is still in process of obtaining the necessary authorization.

Chris Hayes requested that the California Department of Fish and Game be included as an "initial member" of the Steering Committee. Questions were raised regarding the process and timing of the membership and it was agreed that Chair Zimmerman and Lorri Gray will address the specific membership status of the Department and report back at the next meeting of the Steering Committee.

An initial email list has been developed for the Steering Committee based upon the prior Steering Committee list and the additions received as the process moves to implementation. The list will be circulated and responses are sought regarding corrections, additions and deletions. It was suggested that a list compiled by Keith Hoskins be used for the Arizona participants.

The website currently maintained by Phil Lehr will be moved to the Bureau's webpage as soon as the work can be done. Care will be taken that the LCR MSCP site will be easy to locate and access.

The "points of contact" (POC) call will continue at 9:00 a.m. on Friday mornings. The purpose of the call is to track tasks and administrative assignments. Please contact Laura Vecerina if you wish to be informed of the call-in numbers.

It was agreed by consensus (moved by Wade Noble, seconded by Gary Hansen) that meetings of the Steering Committee will be held on the fourth Wednesday of each month in Las Vegas. Starting time will be 10 a.m. The next meeting will be Wednesday, June 22nd. Lorri Gray noted that it will probably be necessary to hold monthly meetings for the first few months and that meetings would likely be less frequent after the important administrative arrangements, budget matters and work plan have been addressed.

5. FINANCIAL REPORT

Financial Overview

(Handout: MSCP Funding and Work by Fiscal Year, attached.)

Lorri Gray gave a brief review of the status of activities. She noted that the Bureau began LCR MSCP implementation activities in 2004. At that time the Steering Committee passed a motion that reasonable expenditures made on related activities could be considered for cost share. Subsequently, the Bureau requested credit for 2004 activities and, as provided in the Steering Committee motion, a "Technical Review Committee" was established at the April 2004 Steering Committee meeting to review requests. Similarly, the Bureau will submit a 2005 work plan for review. The workplans for 2006 will reflect the first full year of non-federal funding share.

Status of Remaining MSCP Planning Funds

(Handout: Lower Colorado River MSCP Funds Remaining, attached)

Phil Lehr distributed an accounting of the funds remaining as of May 12, 2005. He noted that there are approximately $350,000 in funds that have not been committed. It is anticipated that the contractors will be able to complete their work assignments within the funds currently authorized. Refunds to the funding parties will be calculated following the receipt of final billings.

FY06 Financial Contribution

(Handout: Section 8.1.1 – Fiscal Year 2006 Inflation Calculation for LCR MSCP [Actual Indices through September 2004] attached)

Lorri Gray said that she was presenting the information as a "heads up" and that the calculations included some rounding of numbers and would need to be further refined. She expects to have the refined numbers in early June and these will be forwarded to each State via a memo from the Bureau.

It was noted that work still needs to be done by the States to finalize intra- and inter-state contribution arrangements.

MWD Request for CESA Reimbursement

Laura Simonek reviewed the history leading up to the Metropolitan Water District request: the monies were originally allocated to the contractors (Task 3.3) but were suspended and the work was subsequently completed through direct contract between Jones & Stokes and MWD. While the final billings have not yet been received, it is anticipated that they will total between $25,000 and $30,000. She introduced the following motion which was approved by consensus (moved by Laura Simonek, seconded by Douglas Miller):

The agreements with SAIC/Jones & Stokes included $110,000 for work related to completion of documents related to CESA compliance for the LCR MSCP.

At its October 2003 meeting, the Steering Committee suspended further work on that task number (3.3) pending further action by the Steering Committee.

The CESA documents were subsequently completed with assistance from Jones & Stokes pursuant to contracts directly with Metropolitan.

Metropolitan has not received final billings but Paul Cylinder of Jones & Stokes has indicated that the total amount will be $25-30,000.

At the April 2005 Steering Committee meeting, Metropolitan requested that it be reimbursed from the remaining funds held in the budget for this purpose and estimated cost at $25,000.

Metropolitan moves that this Steering Committee approve the reimbursement of up to $25,000 to be paid upon submittal of invoices from Jones & Stokes.

Chris Harris and Phil Lehr were directed to send a letter to NFWF authorizing the expenditure of these funds.

6. REPORTS AND INFORMATION ITEMS

FYO4 Request for Credit

(Handout, Memorandum From Technical Review Committee, May 13, 2005, attached.)

Bill Werner presented a memorandum from the Technical Review Committee recommending that the request by the Bureau for financial credit of $3,381,440 be approved. The recommendation will be considered for action at the June Steering Committee meeting.

A concern was over whether the credits might impact cash flow into the program and potentially disrupt future work. Lorri Gray noted that the Bureau works on a three year budget cycle which would moderate any impact. It was agreed that such credits should be applied in such a manner as to not negatively affect cash flow and to adjust for inflation.

There was also a discussion of the criteria that were and will be used for addressing requests for credit. It was noted that future requests are likely to come from the States. It was requested that the Technical Review Committee articulate the criteria and standards that they had applied in the FY04 request and consider other, both technical and policy criteria, which should be applied.

Presentation of FY05 Workplan

(Handout: LCR MSCP Work Tasks and Obligations for Federal Fiscal Year 2005)

Lorri Gray directed the Committee's attention to pages 4 and 5 which summarize the document. The period of the Workplan is April through September 2005 and the figures are estimates projected through the end of the fiscal year. She requested that a Technical Review Committee be established and that an initial report be made to the Steering Committee at its June meeting with action to follow at the July meeting.

It was agreed to establish the Technical Review Committee. Those interested in assisting on the Committee should contact Laura Vecerina. (A Technical Review Committee requires a representative from each State and from the Bureau.)

Presentation on CESA MOU and Palo Verde Ecological Preserve

(Powerpoint presentation)

Joe Vanderhorst and Chris Harris narrated a Powerpoint presentation and responded to questions from the Steering Committee. They noted that the CESA requirements call for 3048 acres of habitat restoration in California. These acres can also be counted toward the more than 8,000 acres specified under the MSCP. Of the 37,500 acres identified as "conservation opportunity areas" (COAs) about 50% are in California.

The Palo Verde property was acquired by the California Department of Fish and Game (CDFG) and has been offered to the LCR MSCP at no land cost. Approximately 1,000 acres of the site are located along 4.4 miles of the Colorado River. The property is within the Palo Verde Irrigation District and has water delivery infrastructure. It provides opportunity for both marsh and backwater habitats as well as mesquite and cottonwood-willow habitat.

180 acres of the site are immediately available and the remainder is under short term lease. A master plan will need to be developed by Reclamation and CDFG.

A resolution will be brought to the June Steering Committee identifying the need for 3,048 acres of habitat to be being located within California.

Mohave County

Lorri Gray reported that discussions are underway with Mohave County, Arizona Game and Fish, and other interested parties. Reclamation is preparing a project description for 100 acres as a first step in utilizing the Cibola acreage.

Planet Ranch

The City of Scottsdale is interested in selling 8,000 acres of land with 14,400 AF of water referred to as "Planet Ranch". There are direct benefits in terms of habitat creation. Another potential benefit is habitat protection/improvement for the Wildlife Refuge through ensuring the continued availability of water for the Bill Williams River. It is believed that approximately 1,000 acres could be used to create habitat restoration, without negatively impacting the refuge. Reclamation is continuing to work with the FWS and City of Scottsdale.

USFWS has a separate process underway to consider the expansion of Refuge boundaries.

The meeting was adjourned at 12:30 p.m. (Moved by Tom Hine, seconded by Lorri Gray).

ACTION ITEMS AND ASSIGNMENTS

LCR MSCP Steering Committee
May 13, 2005
Las Vegas, Nevada

Action Items

1. The Steering Committee elected the following officers by consensus:

   Chair: Gerald Zimmerman, Executive Director, Colorado River Board of California

   Vice Chair: George Caan, Executive Director, Colorado River Commission of Nevada

2. The meeting notes for the April 5, 2005 meeting were approved with corrections.

3. The Steering Committee accepted the assignment of residual tasks and responsibilities from the predecessor Steering Committee with consensus approval of the following motion:

***WHEREAS**, the original Lower Colorado River Multi-Species Conservation Program (LCR MSCP) participants have concluded their business under the June 26, 1996 LCR-MSCP Program Agreement and have taken the appropriate action to discharge its Steering Committee in favor of this Implementation-based Steering Committee as prescribed and defined by Section 7.3 of the Funding and Management Agreement adopted on April 4, 2005; and, and referenced above; and,*

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***THEREFORE BE IT RESOLVED**, that the LCR MSCP Implementation Steering Committee accepts the transition tasks and responsibilities of the original Steering Committee and agree to complete such tasks and responsibilities in a timely manner.*

4. The Steering Committee approved by consensus the following motion regarding Metropolitan Water District of California's request for CESA cost reimbursement:

The agreements with SAIC/Jones & Stokes included $110,000 for work related to completion of documents related to CESA compliance for the LCR MSCP.