>>> "Doyle Wilson" <WilsonD@lhcaz.gov> 04/27/07 03:34PM >>> Dear Bureau of Reclamation,

Attached are comments by Lake Havasu City, Arizona on the Draft Environmental Impact Statement, Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead. A hard copy of the comments will be mailed to your office.

Thank you for the opportunity to participate in this process.

Doyle Wilson, Ph.D., PG

Water Resources Coordinator

Lake Havasu City, AZ



PUBLIC WORKS DEPARTMENT

Administration/Engineering Division Email: publicworks@lhcaz.gov Phone: (928) 453-6660 Fax: (928) 453-8502

FAXED, EMAILED AND MAILED

April 27, 2007

Regional Director Lower Colorado Region, Bureau of Reclamation Attention: BCOO-1000 P.O. Box 61470 Boulder City, NV 89006-1470

RE: Lake Havasu City Comments Regarding the Draft Environmental Impact Statement, Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead.

Dear Regional Director:

Lake Havasu City, Arizona, which holds a 4th priority mainstream Colorado River Water contract with the Bureau of Reclamation (Contract No. 3-07-30-W0039), submits the following comments to the Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead, Draft Environmental Impact Statement (DEIS - February 2007).

Lake Havasu City favors the Basin States Alternative as the preferred alternative as this alternative addresses the scope of the changes to reservoir operations. The City, although not adverse to the Conservation Before Shortages Alternative (and would probably benefit more in the short term), believes that the mechanism of voluntary shortages is not sufficiently clear in the DEIS and could lead to operational problems. The other three alternatives would not be beneficial to the City in the long run. Although the Water Supply Alternative would delay shortages for quite awhile and give the City more time to prepare for reductions in water delivery, the shortages that would result from this alternative could greatly impact the city.

Several critical issues are not sufficiently addressed in any of the DEIS alternatives including:

• Lake Havasu City along with other 4th priority mainstream users in Arizona have been largely ignored in the DEIS process, even though they will proportionally carry the brunt of the shortages. There will definitely be socioeconomic impacts along the river and on the city, particularly in generating new sources for water acquisition, such as the expected escalation in costs to recovery and replacement of firmed water taken from the Arizona

Lower Colorado Region, Bureau of Reclamation April 27, 2007 Page 2

1

Water Banking Authority, and costs associated with acquiring other water sources such as fallowing deals with agricultural interests.

Due to significant restrictions on water use during shortage years, the city's economy and population growth are expected to noticeably slow. Although the water level of Lake Havasu will probably remain unaffected during shortages, tourism may suffer, especially businesses associated with accommodations and restaurants, when water consumption restrictions are in place (a consideration not addressed in sections 3.12 or 4.12.5 in Volume I of the DEIS).

- Furthermore, Stage I and Stage II shortage-sharing modeling assumptions (discussed in Section 4.2.7.1 on pages 4-9 through 4-11), although run by the letter of the law, may not be practical in the sense that Stage II shortages are implemented only when supplies to Arizona 4th priority users have been totally cut off. In essence, the consequences of such an eventuality that would lead to the displacement of tens of thousands of people from Lake Havasu City, Bullhead City, and various smaller communities have not been considered. Laughlin, Nevada would also suffer as that community relies on citizens and businesses of Bullhead City to operate normally. None of the Arizona communities have enough firmed water banked to cover multi-year shortages of that magnitude. The socioeconomic impacts would not only affect the region, but also at the state and federal level, not unlike the evacuation from New Orleans. As the probabilities are very low that Stage II shortage-sharing would be instituted within the 19 year interim period, that adjudication would "muddy the waters" of such an action, and since this operation measure has not been adequately addressed in the DEIS, it should be deleted as part of the operational policy of the interim period until a closer examination of the overall effect is implemented.
- Who can participate in the Intentionally Created Surplus (ICS) mechanism is stated as unknown on page 4-12 (section 4.2.8) in the DEIS. Table 4.2-3 on page 4-13 shows that the ICS predominantly helps Nevada (to mitigate their conservation projects), but Arizona may take advantage during normal years. In Arizona, the Central Arizona Project's (CAP) contract with the Bureau of Reclamation (BOR) includes a clause stating that this agency may take any unused water allotted to other Arizona contracts. What is the legality of a Record of Decision resulting from this EIS that includes a statement indicating all Arizona water providers with BOR contracts may participate without the threat of the CAP's assertion that they could use that water? The first M&I contracts to be affected by the shortages are from the on-river 4th priority users and this group (although admittedly small) would benefit the most if they could participate since there are limited options to obtain water from other sources. Our concern is that in Arizona, only the CAP would benefit from conserved storage the way the law is currently devised. Computer models from the Arizona Department of Water Resources (ADWR) indicate

Lower Colorado Region, Bureau of Reclamation April 27, 2007 Page 3

÷ 7

that the CAP M&I users will not be directly impacted from the 400K - 600K reductions because of the way the CAP is structured. Much or all of the shortage borne on the CAP can be absorbed from their storage programs and agricultural entities.

• In Appendix D, Table D-1f on page D-6, the depletion schedule for Lake Havasu City used in the hydrologic modeling does not look correct. These numbers appear to be diversion volumes that ADWR provided to the BOR for Lake Havasu City, but they are not consumptive use values using calculated annual return flows. Although page 4-4 in section 4.2.3 of the DEIS states that the depletions include return flow credits where applicable, the numbers in Table D-1f do not reflect the 38% unmeasured return flow rate as calculated by the BOR for Lake Havasu City. The 12,322 ac-ft value for 2008 listed on Table D-1f is too low for a diversion number, particularly since the City's requested allocation for 2008 will likely be a bit higher than the 2007 allocation request of 16,079 ac-ft. The table also lists a use of 20,378 ac-ft by 2060, yet city projections based on population estimates from the Arizona Department of Economic Security and using a per capita rate of 250 gpcd, Lake Havasu City will reach its diversion entitlement of 25,180 ac-ft (15,611 ac-ft consumptive use) by 2040 under normal Colorado River supply years.

Bullhead City representatives say that their depletion schedule is also not reflective of their current situation. If these discrepancies are more widespread, than a possible underestimation of the probabilities, timing, frequency, and affects of shortages to the Arizona 4th priority users may result. The hydrologic model output sensitivity to this parameter is expressed on page 4-6 of Section 4.2.6 in the DEIS.

- ADWR has approximately 10,000 ac-ft of unallocated 4th priority water (according to ADWR or a "few thousand acre-feet" according to page 1-15 in the DEIS), which could possibly be made available to those affected by the shortage scenarios, yet this is not covered in the DEIS. It would seem that the unassigned allocation would be part of the Arizona shortage prior to contracted water.
- Lastly, the Supreme Court's Consolidation Decree of 2006 is mentioned several times (first mentioned on page 1-1 and in Table 1,7-1 (although somewhat out of place)) in the DEIS, but no reference to the specifics of the decree are given, only quick references as if
- everyone already knows the implications of the legal action. The decree is also not easily accessible on the internet as I had to ask a BOR employee to find it for me. It should be spelled out more in the DEIS.

Lower Colorado Region, Bureau of Reclamation April 27, 2007 Page 4

Lake Havasu City appreciates the opportunity to express its concerns covering this very important document. If you have any questions, please contact me at (928) 453-6660 x4319 or at <u>wilsond@lhcaz.gov</u>.

Sincerely,

ile) or n

Doyle Wilson Water Resources Coordinator

DW:sw

c: Richard Kaffenberger, City Manager Kevin Murphy, Public Works Director Robert P. Leuck, P.E. Deputy Public Works Director Kelly Garry, Assistant City Attorney