

The meeting was held at 11:00 a.m. on Tuesday, March 8, 2005, at the Clark County Commission Chambers, 500 S. Grand Central Parkway, Las Vegas, Nevada.

COMMISSIONERS IN ATTENDANCE

Vice Chairman
Commissioner
Commissioner
Commissioner
Commissioner

Jay D. Bingham
Andrea Anderson
Oscar B. Goodman
Ace Robison
Myrna Williams

COMMISSIONERS NOT IN ATTENDANCE

Chairman
Commissioner

Richard W. Bunker
Roland D. Westergard

DEPUTY ATTORNEYS GENERAL

Senior Deputy Attorney General
Senior Deputy Attorney General

Gerald A. López
Sara A. Price

COMMISSION STAFF IN ATTENDANCE

Executive Director
Deputy Executive Director
Special Assistant to the Director
Division Chief, Finance and Administration
Assistant Director of Engineering & Operations
Environmental Program Manager
Natural Resources Technician
Assistant Hydropower Program Manager
Natural Resource Specialist
Accountant II
Office Manager
Administrative Assistant II
Administrative Assistant II

George M. Caan
Gail A. Bates
James D. Salo
Douglas N. Beatty
Bob Reese
Phillip S. Lehr
Anthony J. Miller
Craig Pyper
McClain Peterson
Gail Benton
Deanna Bruno
Janet Nuszbaum
Lisa Ray

OTHERS PRESENT; REPRESENTING

AMPAC
Kerr McGee Chemical LLC
Kummer Kaempfer Bonner & Renshaw
Nevada Power Company &
Sierra Pacific Resources
Overton Power District No.5
Southern Nevada Water Authority
Southern Nevada Water Authority
Swendseid & Stern
Bunker & Associates

Jack Stonehocker
John Holstrom
Rose Oram

Michael Yackira
Delmar Leatham
Charles Hauser
Richard Wimmer
John Swendseid
Melissa Trammell

**COLORADO RIVER COMMISSION
OF NEVADA
MEETING OF MARCH 8, 2005**

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**COLORADO RIVER COMMISSION
OF NEVADA
MEETING OF MARCH 8, 2005**

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Vice Chairman Bingham called the meeting to order at 11:02 a.m., followed by the reciting of the Pledge of Allegiance.

Vice Chairman Bingham stated that Chairman Bunker was out of town and would not be attending the Commission meeting.

A. Conformance to Open Meeting Law.

Executive Director George Caan confirmed that the meeting was in compliance with the Open Meeting Law.

B. Approval of minutes of the February 8, 2005, meeting.

Commissioner Goodman moved for approval of the minutes of the February 8, 2005 meeting as written. The motion was approved by a unanimous vote of those present. Commissioner Robison was not present for this vote.

C. Consideration of and possible action on ratification of permission granted to Best in the Desert Racing Association for entry on to Colorado River Commission land near Laughlin, Nevada, to hold a motorcycle race on March 5, 2005.

Executive Director Caan stated that this race is held annually and had already taken place. He added that on February 10, 2005, the Best in the Desert Racing Association requested entry on to Commission land near Laughlin, Nevada, to conduct its annual motorcycle racing event, called the "Laughlin U.S. Hare Scrambles Championship," on March 5, 2005. As in previous years, a small portion of the race course runs through Commission property; the rest is located on Bureau of Land Management ("BLM") land. The entire race course uses existing motorcycle, all-terrain-vehicle or buggy courses, jeep trails, old roads, power line access roads, or sandy washes, and avoids all proposed critical desert tortoise habitat areas. The pit and spectator areas are located outside of Commission property.

In past years, the Commission has approved these annual races on the condition that the Association provide proof of:

1. compliance with BLM's policy and procedures for implementation of Section 7 of the Endangered Species Act; and
2. protection of the State of Nevada and its Colorado River Commission through an insurance policy accepting liability for any injury to person and property in the amount of \$1,000,000.

In compliance with Section 7 of the Endangered Species Act, BLM obtained from the Fish and Wildlife Service a "programmatic" Biological Opinion covering all speed-based events on BLM and Commission land in the Laughlin area. (Under a "programmatic" opinion, consultation is not required for each such event during the life of the opinion.) Apart from the desert tortoise, no other federally-listed species appears to be implicated in these events. The opinion allows for limited incidental take of desert tortoise and specifies terms and conditions required of event

promoters, and is enforced by BLM.

Along with its current request, the Association provided a certificate of liability insurance showing the State of Nevada and its Colorado River Commission as an additional insured for combined coverage for bodily injury and property damage in the amount of \$1 million for each occurrence and in the aggregate.

The Executive Director administratively granted permission for entry on to Commission land for purposes of the race because the Commission meeting was not scheduled until after the date of the event. The Commission has approved entry for this race each year for many years now. The Association met the conditions previously established by the Commission and we have never experienced any difficulties with this race. The Executive Director requested that the Commission ratify this action.

Commissioner Williams moved to ratify the permission granted to Best in the Desert Racing Association. The motion was approved by a unanimous vote of those present. Commissioner Robison was not present for this vote.

D. Consideration of and possible action on the approval of a cooperative accord among Southern Nevada Water Authority, Sierra Pacific Resources and Nevada Power Company, and the Colorado River Commission of Nevada that establishes a new working relationship among the entities, and to authorize the Executive Director to negotiate the more definitive agreements among the parties as may be required to fully implement this cooperative accord.

George Caan stated that on February 9, 2005, representatives of the Colorado River Commission ("CRC"), Southern Nevada Water Authority ("SNWA") and Nevada Power Company ("NPC") announced a cooperative accord governing the business relationship of the three parties going forward and the parties' agreement to dismiss all pending litigation and claims with prejudice.

The cooperative accord generally requires future agreements and legal documents to support the stated principles of this agreement that will be brought back to the Commission, the SNWA, NPC, and to the Nevada Public Utilities Commission. It addresses basically three elements: (1) communication and cooperation, including joint discussions involving new generation and transmission resources; the SB211 load departures, meaning the switch of the water and wastewater loads of the member agencies of the SNWA to CRC electric service and coordination with senior executives; (2) new agreements, which will be brought back before the CRC and SNWA boards for the Silverhawk Power Plant dispatch, for firm energy delivery to the Southern Nevada Water Authority, and also for scheduling and load balancing; and (3) the resolution of all outstanding legal disputes, including the civil action in federal court, the arbitration action, and also the CRC FERC complaint. In addition to all of these agreements, the parties retain the autonomy and independence to act in their own interests. The next steps are to develop the implementing agreements and then seek the review and approval of these agreements by CRC, the Southern Nevada Water Authority, Nevada Power Company, Sierra Pacific Resources, and the Nevada Public Utilities Commission.

Subject to required approvals, the cooperative accord will allow NPC, SNWA and CRC to collaborate on future beneficial initiatives while focusing on their respective primary missions of providing reliable and essential electrical and water supplies for their customers. The cooperative accord also provides immediate benefits to all customers as a result of several agreements to be implemented in the near future. Those agreements include:

1. An 8-year agreement that will allow NPC to operate SNWA's minority interest in the Silverhawk power plant and receive the associated output and other benefits in exchange for selling to SNWA a 75-MW firm power supply, deliverable at the Mead Substation, at a predictable price based upon a market index and actual experienced costs.
2. An agreement for NPC to provide energy scheduling and balancing services to the CRC and SNWA.

Upon the effective date of the agreements to be entered into pursuant to the cooperative accord, the parties have agreed to permanently dismiss all claims, actions, lawsuits, arbitrations and similar matters between and among the parties, including claims against present and former employees of the CRC and SNWA.

The cooperative accord was approved by the SNWA Board of Directors at its regular meeting on February 17, 2005. The parties' attorneys are in the process of drafting the formal legal documents needed to implement the accord.

Mr. Caan stated that in the audience today are Richard Wimmer from Southern Nevada Water Authority and Michael Yakira from Sierra Pacific.

Staff recommended the Commission approve the cooperative accord.

Commissioner Goodman stated he had made his position known at the Southern Nevada Water Authority board meeting. At that time he did not give sufficient credit to Clark County Commissioner Rory Reid for brokering the arrangement and being responsible in a large part for moving it on. He has been assured that these type of negotiations will not take place in the future without the elected officials and the other board members with the responsibility and public trust to make decisions, to know what is happening as it is happening. He understands the legal ramifications, the confidentiality ramifications, and the like, but public officials have to be kept in the loop because the buck stops with us and we are ultimately responsible for the decision-making processes. Commissioner Goodman stated that he will support this approval with the understanding that this is just the first step, and that along the way we will be brought into the fold as far as making determinations as to whether whatever is agreed upon, at least in principle, is in the best interests of our constituents.

Commissioner Williams moved for approval of the cooperative accord. The motion passed unanimously of those present. Commissioner Robison was not present at the time of the vote, but later during the meeting expressed his approval and wanted it noted as part of the record.

E. Consideration of and possible action on the approval of the agreements for implementation and funding of the Lower Colorado River Multi-Species Conservation Program.

George Caan gave a presentation, a copy is attached hereto and made a part of these minutes. He stated that the Lower Colorado River Multi-Species Conservation Program ("LCR MSCP" or "Program") is a 50-year habitat conservation program. It is the largest and most comprehensive conservation program in the United States. The Program covers the lower Colorado River basin up to and including the full-pool elevations of lakes Mead, Mohave, and Havasu and the historical floodplain of the Colorado River downstream from the inflow area of Lake Mead to the Southerly International Boundary with Mexico. The LCR MSCP is designed to proactively protect the storage, release and diversion of Colorado River water over the next 50 years from challenges under the Endangered Species Act ("ESA"). The Program was developed under the leadership of the U.S. Secretary of the Interior and the states of Nevada, Arizona and California.

In March of 1993, the U.S. Fish and Wildlife Service ("FWS") designated almost the entire lower Colorado River as critical habitat for several endangered species of fish (the bonytail and razorback sucker). In 1997, pursuant to the ESA, the FWS issued to the Bureau of Reclamation ("Reclamation") a Biological Opinion in which the FWS concluded that Reclamation's ongoing operations and activities on the river would jeopardize the southwestern willow flycatcher and the bonytail and razorback sucker and cause adverse modification to the two fish species. The FWS's Biological Opinion provided a number of remedial measures for Reclamation to implement to avoid jeopardy, including the completion of a conservation program for the lower Colorado River.

Thereafter, Reclamation joined forces with other federal agencies under the Secretary of the Interior (Fish and Wildlife Service, Bureau of Land Management, and Bureau of Indian Affairs) and the states of Nevada, California and Arizona, as well as their respective water, power and wildlife resource agencies, the Colorado River Indian tribes, and wildlife conservation groups to develop a program that would provide a greater level of regulatory certainty for users of the lower Colorado River resources while working toward recovery of endangered and protected species which populate the river corridor.

The Program, developed over seven years and at a cost of nearly \$9 million, seeks to conserve habitat and work towards recovery of threatened and endangered species, reduce the likelihood of additional species being listed, accommodate present water diversions and power production, optimize opportunities for future water and power development and provide for incidental take authorization. Specifically, the LCR MSCP provides conservation measures for 26 species of fish, birds, reptiles, mammals and plants, six of which are currently listed as threatened or endangered. It calls for the creation of 8,132 acres of habitat, including the establishment of mesquite woodlands and cottonwood-willow riparian zones for birds and mammals, the creation of marsh and backwater area for certain birds and fish and a fish rearing and stocking program to enhance the population of two of the endangered fish species.

Participation in the 50-year Program will provide the Colorado River Commission with: 1) a permit protecting against incidental take for ongoing power and water operations, as well as

future projects (identified in section 2.4 of the Habitat Conservation Plan); 2) protection for incidental take of covered species that may become listed as endangered or threatened over the next 50 years; and, very importantly, 3) a cap on the cost to the Commission of future ESA compliance for those species on the lower Colorado River. Other participants in Nevada include the Southern Nevada Water Authority, the Nevada Department of Wildlife and Basic Water Company.

The 50-year Program is estimated to cost approximately \$626,180,000 (2003 dollars). This cost will cover land acquisition, habitat restoration and creation, implementation of species-specific conservation measures, and research and monitoring. The federal agencies have agreed to contribute 50 percent of the Program costs and any increases in the estimated cost other than increases due to inflation. This federal funding commitment protects the states from unforeseeable cost increases during the life of the Program. The states have proposed to split the remaining 50 percent as follows: a) 50 percent by California; b) 25 percent by Arizona; and c) 25 percent by Nevada. In order to secure necessary state legislation to implement its funding obligation, Arizona has proposed to contribute less than its full 25 percent in the first 10 years of the Program and thereafter contribute more than its 25 percent commitment to make up the difference. The Southern Nevada Water Authority and Metropolitan Water District of Southern California have proposed to contribute the amount of Arizona's deficiency during the first 10 years for which they will receive credit beginning in year 11. These funding proposals are set forth in the Funding and Management Agreement ("FMA").

The Nevada participants propose meeting Nevada's 25% contribution as follows:

SNWA (Water)	\$54,117,000
Basic Water Company	\$ 673,750
Colorado River Commission	<u>\$23,481,750</u>
TOTAL	\$78,272,500

It is anticipated that the Colorado River Commission's share (comprising existing power operations) will be funded by its power customers, as users within this state of the hydroelectric power resources generated by the Colorado River. Contracts memorializing the power customers' funding agreement are being prepared.

Reclamation is responsible for the overall implementation of the conservation measures under the Program. Reclamation will employ a Program Manager who will be specifically charged with the operation and management of the Program. The Program Manager will consult with a Program steering committee comprised of representatives of the federal and non-federal participants as provided in section 7 of the FMA. The Implementing Agreement and the Permit set forth the commitments of the federal and non-federal participants and the assurances by the federal participants. In addition to the FMA, the Implementing Agreement and the Permit, the other Program documents include: 1) an Environmental Impact Statement/Report ("IES/EIR"); 2) the Habitat Conservation Plan ("HCP"); 3) the Biological Assessment ("BA"); 4) Appendices

and the Responses to Comments on LCR MSCP; and 5) the Biological Opinion (“BO”).

Commissioner Goodman asked who names these species?

Mr. Phil Lehr stated that the species are named by various biologists when they are discovered. These names usually reflect some characteristic of the animal and have been in use for over 100 years.

Commissioner Anderson asked what exactly does the incidental take permit allow one to do.

Mr. Caan replied that it provides that when you are operating the turbines, you could accidentally harm or kill a fish. This provides coverage so that if you do, you are still in compliance with the Endangered Species Act, if you are implementing the habitat conservation program. If you did not have this program, and you somehow hurt or harmed a fish, you could be subject to a penalty if they are an endangered species.

Ms. Sara Price added that it is a comprehensive approach in analyzing whether they are going to issue the permit because they are taking into account what could incidentally happen and then they are comparing that against all of the mitigation that is coupled into the program. In taking as a whole, they evaluate it and determine whether it complies under the Endangered Species Act. It does authorize you to incidentally take, and that is the real purpose of the Section 10 permit.

Commissioner Williams made a motion to approve participation in the LCR MSCP and authorize the Chairman to execute the finalized LCR MSCP agreements as approved by counsel.

Commissioner Williams wanted to congratulate all of the people who have worked so diligently on this for the past ten years, and compliment their foresight in accommodating possible species for the next fifty years. It shows the vision of the people who put this together.

Mr. Caan then remarked about Arizona’s funding contribution to the program. Arizona needs to put into place some state laws in order for them to collect the amount that they need to contribute. What has been agreed to by the Southern Nevada Water Authority and the Metropolitan Water District of Southern California is to underwrite for a few years part of the Arizona contribution, with Arizona paying them back when they get their state laws in place, so the entities will remain whole. The agreements are now in substantially complete form. There may be some minor non-substantive changes that may still be needed.

Commissioner Goodman asked if there was any kind of guarantee that Nevada would be recompensed by Arizona.

Mr. Caan stated that yes, the agreements provide for the payback and the reimbursement from Arizona to both the Southern Nevada Water Authority and the Metropolitan Water District. The agreements contain those elements.

Commissioner Robison then stated that he was going to vote “aye” on Commissioner Williams’

motion, but he wanted to state that two-thirds of a billion dollars for six species seems like a lot of money.

Vice Chairman Bingham stated that this was almost the same comment he made 10 years ago when this program started, why are we spending this kind of money to study this?

Mr. Caan responded that this program has had its days when we thought it would never go further. The idea of it not going further really didn't mean that we wouldn't be spending the money. We really had two choices: one is to comply with the Endangered Species Act the way that it is currently done over time where we do not know how much it will cost. The other choice is to attempt to make a deal to try to cap the costs for 50 years, and that was the tradeoff. We've had this debate, but over the past 10 years we have finally reached consensus, based on our review of what was happening on the river, that this deal was a good one for us to enter into.

Vice Chairman Bingham asked if there was anyone in the audience who would like to speak on this item and also asked if this has gone through the power customers.

Mr. Caan stated that it has been reviewed and that Jack Stonehocker deserves quite a bit of credit, as he has been part of this process from day one and has attended every meeting of the MSCP and its subcommittees. Staff has met with the power customers a number of times and they expressed, to some degree, Commissioner Robison's comments, but he understands that this is an important component of protecting the hydropower resources. We have letters of intent from all but two of the industries that they are committed to fulfilling their portion of the funding of the program once we have full contracts in place and they have all expressed their support for this.

Vice Chairman Bingham stated that 10 years ago when we started this, the one thing that caught him was that if we did not do this, we could not have the vibrant growth and the different things that we were enjoying at the time. We have to make these environmental commitments to balance the growth.

The motion was carried by a unanimous vote.

<p>F. Consideration of and possible action to approve a personal services contract with Sara Price for continued support to the Commission on environmental and power programs.</p>
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George Caan explained that Sara Price has provided legal counsel to the Commission as a Senior Deputy Attorney General since January of 2000. She has participated in a wide range of activities for the Commission, including the LCR MSCP and the development of CRC power contracts related to the SB 211 customers. Ms. Price will be leaving state service effective March 15, 2005. The CRC wishes to retain her as a consultant to continue her efforts to support the work of the Colorado River Commission. Ms. Price will be working as a special consultant.

Commissioner Anderson made a motion to approve the personal services contract with Sara Price, and the motion carried with a unanimous vote.

G. Consideration of and possible adoption of a resolution designated the “State of Nevada Colorado River Commission 2005I Refunding Bond Resolution”; authorizing the sale and issuance of the State of Nevada Colorado River Commission General Obligation (Limited Tax) (Revenue Supported) Power Delivery Project Refunding Bonds, Series 2005I; providing the purpose for which the bonds are being issued; the form, terms and conditions of such bonds; the manner and terms of their issuance and execution; the method of their payment; the security therefor; the levy and collection of annual general (ad valorem) taxes for the payment of such bonds; the pledge of revenues for the payment thereof; and other related matters.

George Caan reported that the state treasurer has been reviewing a number of state bonds for potential refund. Part of the potentially refundable bonds are the Commission’s “Power Delivery Project” bonds (the bonds were issued in two series, one in 1997 and one in 1999, both are candidates for this refunding).

Staff has been contacted with regard to the refunding and has been in contact with the staff of the Southern Nevada Water Authority. The bonds are the debt of the state, issued by the Commission, but are directly paid for by the SNWA pursuant to the PDP agreements between the Commission and the SNWA. Commission staff and the staff of the SNWA agree with the concept of the refunding and are participating with the state’s refunding program.

The state plans to take a large refunding (probably over \$300,000,000) to the market. Thus, the bonds are a small part of the overall program. Note that in addition to the PDP bonds, there are currently two SNWA water-related bonds anticipated to be refunded in this issue.

The refunding meets the criteria for Commission debt: refunding must result in at least a 3 percent net present value savings (lower of refunding or refunded comparison) and result in a dollar value that provides adequate savings over the costs of issuance. The current projections of net present value savings are in the high 8 to low 9 percentage range.

The refunding can be accomplished by the Commission’s adoption of the refunding resolution, which will allow the competitive bid to go forward. Bids will be received and evaluated by the state treasurer and accepted based on adequate savings to the overall program.

Refunding of existing Power Delivery Project bonds will result in cost savings to the Commission (and ultimately the Southern Nevada Water Authority) on the debt service. The total savings will be a result of the bids from underwriters on the day of the competitive sale.

Commissioner Williams made a motion to approve the adoption of the resolution designated the “State of Nevada Colorado River Commission 2005I Refunding Bond Resolution”. The motion was carried by a unanimous vote of those present. Commissioner Goodman was not present for this vote.

H. Comments and questions from the public.

There were no comments from the public.

I. Comments and questions from the Commission members.

Commissioner Robison added that he would like to express his appreciation to Nevada Power for coming to this agreement in Agenda Item D. He then apologized for being late to the Commission meeting, but stated that he would like to express his appreciation for the Chairman and others from this Commission who may have been involved in the difficult negotiation.

Executive Director Caan stated that we could record his approval in the minutes if he would like.

Commissioner Robison stated that he would.


J. Next meeting date selection.

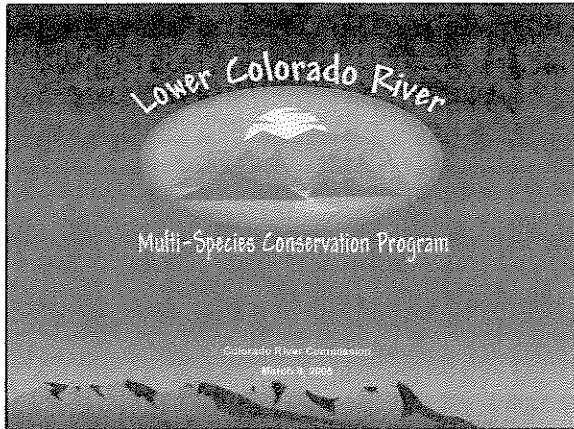
The next meeting is tentatively scheduled for Tuesday, April 12, 2005, at the Clark County Commission Chambers.

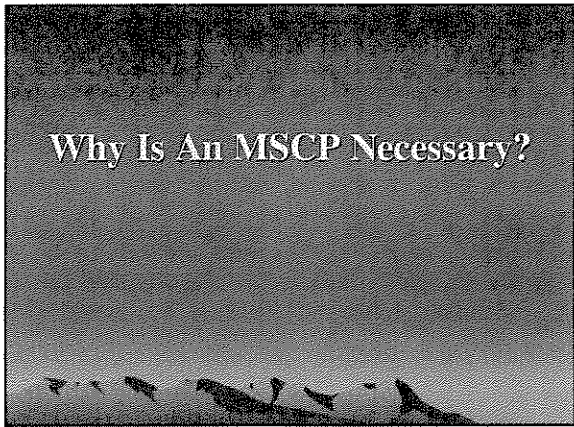
The meeting adjourned at 11:29 a.m.

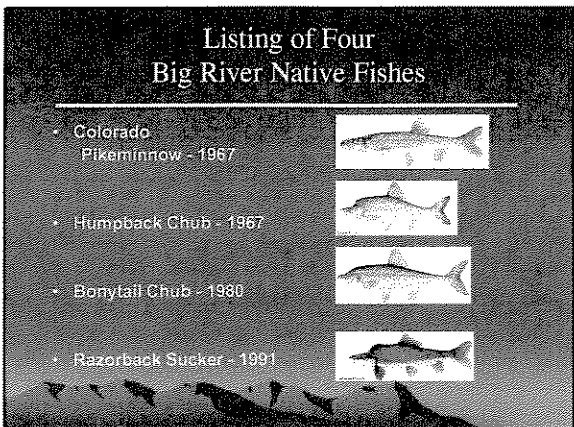

George M. Caan, Executive Director

APPROVED:


Richard W. Bunker, Chairman

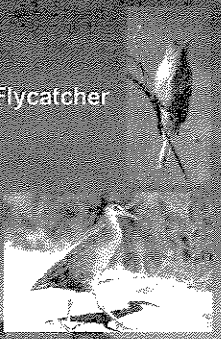






Listing of Two Birds


- Southwestern Willow Flycatcher
- Yuma Clapper Rail



Final Biological Opinion


Lower Colorado River Operations
and Routine Maintenance Activities

- On April 30th, 1997 the U.S. Fish and Wildlife Service released the Final Biological Opinion.
- Opinion resulted in the jeopardy finding for bonytail, razorback sucker and southwestern willow flycatcher.
- Extended until April 30, 2005 – Expecting MSCP to be ready for implementation at that point.



Goals and Objectives of the LCR MSCP

- Accommodates current water diversions and power production and optimizes future water and power development opportunities.
- Conserves habitat while working toward the recovery of the species, and reducing the likelihood of additional "threatened / endangered" species listings.
- Provides ESA coverage for numerous federal and state projects.



Composition of the MSCP Steering Committee

Department of Interior Agencies

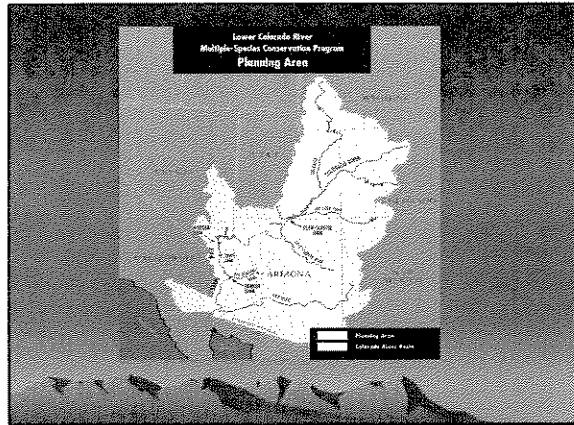
- Bureau of Reclamation
- Fish and Wildlife Service
- Bureau of Land Management
- Bureau of Indian Affairs
- National Park Service

States of Arizona, California and Nevada

- State Water, Power Agencies
- LCR Native American Tribes
- Environmental Organizations
- Water and Power Users
- Local Governments

Nevada Participants

- SNWA
- Colorado River Commission
- Power Users
- Nevada Department of Wildlife
- Basic Water Company



LCR MSCP Mitigation Measures

- Habitat creation – 8,132 acres
 - Cottonwood-willow
 - Mesquite
 - Marsh
 - Backwaters
- Fish augmentation
- Habitat Protection
- Adaptive Management and Research

LCR MSCP Covered Species and Evaluation Species		
Covered Species(26)		Evaluation Species(5)
Federal Endangered	Species of Concern (cont)	California leaf-nosed bat
Yuma clapper rail	Western least tern	Pale Townsend's big-eared bat
Southwestern willow flycatcher	California black rail	Colorado River (Sonoran) toad
Bonytail shub	Bird owl	Lowland leopard frog
Hardback shub	Gilded flicker	Desert pocket mouse
Race-back sucker	Olive woodpecker	
Threatened	Varied flycatcher	
Desert tortoise	Arizona Bell's vireo	
Species of Concern	Sonoran yellow warbler	
Western red bat	Summer tanager	
Western yellow bat	Reddish leopard frog	
Colorado River cotton rat	Ear-tailed hoard lizard	
Yuma desert cotton rat	Flannelmouth sucker	
Yellow-billed cuckoo	MacNeil's scalywing skink	
	Sagey buckbrush	
	Threemargin mole-crab	

LCR MSCP Conservation Plan 50 Year Implementation Costs*	
(2003 Dollars)	
Implementation Period	Cost
Years 1-5	\$ 56,070,000
Years 6-10	\$137,700,000
Years 11-15	\$110,820,000
Years 16-20	\$ 99,310,000
Years 21-25	\$ 40,720,000
Years 26-30	\$ 37,500,000
Years 31-50	\$143,460,000
Total	\$626,180,000

MSCP Cost Sharing		
(2003 Dollars)		
Total Program Cost		\$626,180,000
Federal	50%	\$313,090,000
States	50%	\$313,090,000
California	50%	\$156,545,000
Arizona	25%	\$ 78,272,500
Nevada	25%	\$ 78,272,500

Nevada Cost Sharing	
(Rounded 2003 Dollars)	
<u>Total Nevada Share</u>	<u>\$78,272,500</u>
SNWA Water	\$54,117,000
Basic Water Company	\$ 673,750
CRC Power Customers	\$23,481,750

What Do We Get In Return?

- ESA Section 10(a) permit allowing incidental take for ongoing power and water operations, as well as future projects
- Protection for incidental take of covered species that may become listed as endangered or threatened over the next 50 years
- A cap on the cost to the Commission of future ESA compliance on the lower Colorado River
- Federal cost-share cannot be passed through to water or power customers, i.e. must be non-reimbursable

Covered Water Activities

Activities Related to:

- **Diversion, Delivery and Return Flow**
 - Lower Basin's 7.5 mafy apportionment
 - Nevada's 300 kafy entitlement
- **Future transfer and change in points-of-diversion**
 - Up to 1,574 mafy in Lower Basin

Covered Power Activities

- CRC Federal Hydropower Contracts for
 - Hoover Dam (expires 2017)
 - Parker Davis Dams (expires 2008)
 - (contract renewal process underway)
- Scheduling and generation of hydroelectric power by Reclamation and Western
- Extension or renewal of existing power contracts

MSCP Agreements and Permit

- *Implementation Agreement (IA)*
 - Consolidates program documents and describes program implementation.
- *Financial Management Agreement (FMA)*
 - Defines the payment terms and conditions and provides structure for 20 year implementation.
- *Section 10(a) Incidental Take Permit*
 - Issued by FWS to allow "take" of listed species incidental to otherwise legal activity.

Lower Colorado River



Multi-Species Conservation Program

WWW.LCRMSCP.ORG
