TENTATIVE AGENDA*
Times shown are approximate. Some items may take more or less time than scheduled or the President may grant requests to hear items in an order other than shown.

1. Pledge of Allegiance to the Flag, Moment of Silence and Safety Minute (10:00)


3. Consideration of Action to Approve Items on the Consent Agenda* (10:15)
   a. Approval of Minutes of the December 4, 2014, Regular Meeting—Pickard
   b. Approval of Agreement Between CAWCD and the City of Scottsdale to Store Water at Superstition Mountains Recharge Project (Water Supply: Reliability of the CAP Supply)—David Johnson

4. Consideration of Action to Approve Items Removed from the Consent Agenda

5. Report on and Discussion of Recovery Planning (Water Supply: Complete and Implement Recovery Plan)—Grignano (10:20)

6. Briefing on "New Mexico Unit of CAP" (Leadership & Public Trust: Relationships-Customers)—McCann (10:30)


8. Report on and Discussion of CAP Operations and Maintenance (Project Reliability: Effectively Operate and Maintain CAP Assets)—McCann (11:00)


10. Appointment of Nominating Committee (Leadership & Public Trust: CAP Board Leadership)—Pickard (11:25)

11. Directors’ Reports on Current Events (11:30)

12. President’s Report on Current Events—Pickard (11:40)
13. **General Manager’s Report on Current Events**—Modeer (11:50)

14. Public Comment (12:00)

15. Consideration of Action to go into Executive Session of the Board for the following purposes:
   a. Pursuant to A.R.S. §38-431.03.A.3 to obtain legal advice from the District’s attorneys on any matter listed on the agenda
   
   [The discussions and minutes of the executive session shall be kept confidential. The executive session of the Board is not open to the public.]* (approx. 12:05)

16. Reconvene in Open Session

17. Consideration of Action Regarding Items Discussed in Executive Session

18. Adjournment

* Please note that this tentative agenda may be changed prior to the scheduled meeting by modifying or deleting listed matters or adding new ones. Anyone interested in the final agenda for the meeting should contact the CAP office (623.869.2333) or consult CAP’s website (www.cap-az.com) twenty-four (24) hours in advance of the meeting.

** Items listed in the Consent Agenda may be acted on by the Board without discussion. Any item listed on the Consent Agenda may be removed from the Consent Agenda and acted on separately by the Board.

*** The Executive Session is expected to last approximately one hour and will not be open to the public.

^ **Linkage to 2010 CAWCD Board of Directors Strategic Plan**
The regular meeting of the Central Arizona Project ("CAWCD" or "CAP") Board of Directors was called to order by Vice President Warren Tenney on December 4, 2014, at 10:02 a.m. The meeting was held at the Casino del Sol Resort, Ballroom A, 5655 W Valencia Road, Tucson, Arizona. Secretary Lisa Atkins was present.

Board members present were Vice President Warren Tenney, Pima County; Lisa Atkins, Maricopa County; Guy Carpenter, Maricopa County; Frank Fairbanks, Maricopa County; Terry Goddard, Maricopa County; Jim Hartdegen, Pinal County; Jim Holway, Maricopa County; Pat Jacobs, Pima County; Mark Lewis, Maricopa County; Heather Macre, Maricopa County; Sharon Megdal, Pima County; Cynthia Moulton, Maricopa County; and Carol Zimmerman, Pima County.

President Pam Pickard, Maricopa County and Gayle Burns, Maricopa County, were absent.

Staff members present were David Modeer, General Manager; Ted Cooke, Deputy General Manager, Finance & Administration; Tom McCann, Deputy General Manager, Operations & Maintenance; Marie Pearthree, Deputy General Manager, Strategic Initiatives & Public Policy; Darin Perkins, Manager, Environmental Health & Safety; Debbie Jo Maust, Administrator, Insurance and Risk Analysis; Vicky Campo, Internal Communications Representative; Adam Halder, Plant Electrician; Dennis Rule, Manager CAGRD; Chuck Cullom, Colorado River Programs Manager; and Donna Micetic, Board Liaison.

Director Zimmerman led the Directors and public in reciting the pledge of allegiance to the flag of the United States of America and a moment of silence. Director Zimmerman presented a Safety Minute on Whitewater Rafting Safety Tips.

President Pickard welcomed the group and reported on recent activities, via a taped message.

Chairman Peter Yucupicio of the Pascua Yaqui Tribe, welcomed the Board and public to the Casino del Sol.

Mr. Cooke recognized employees who were involved with producing and creating the CAP Safety Video that recently won an award from the Public Risk Management Association (PRIMA). Mr. Perkins reported on CAP’s safety program; Ms. Campo reported on the partnership between safety and
communications; Ms. Maust reported on the unique approach CAP takes with regard to risk management; and Mr. Halder accepted the PRIMA award on behalf of the Safety Vision Support Team.

ADMINISTRATION OF OATH OF OFFICE TO RECENTLY ELECTED DIRECTORS
Ms. Micetic administered the Oath of Office to Directors Cesare, Hartdegen, Jacobs, Megdal and Tenney, who will serve from January 1, 2015, through December 31, 2020.

CONSIDERATION OF ACTION TO APPROVE ITEMS ON THE CONSENT AGENDA
By unanimous consent, the Board approved the minutes of the November 6, 2014, Regular Meeting and approved the agreement between Central Arizona Water Conservation District and Maricopa Water District for Water Storage at the Maricopa Water District Groundwater Savings Facility.

REPORT ON ARIZONA WATER PROTECTION FUND COMMISSION MEETING HELD NOVEMBER 18, 2014 (item heard out of order)
Mr. Jacobs reported on the Arizona Water Protection Fund Commission Meeting held on November 18, 2014.

REPORT ON ARIZONA WATER BANKING AUTHORITY MEETING HELD DECEMBER 3, 2014 (item heard out of order)
Mr. Hartdegen reported on the Arizona Water Banking Authority Meeting held on December 3, 2014.

REPORT ON AND CONSIDERATION OF ACTION TO ALLOCATE FUNDS FOR PURCHASE OF CREDITS BY ARIZONA WATER BANKING AUTHORITY IN 2015 (item heard out of order)
Mr. McCann reminded the Board of its action in March 2014 amending the intergovernmental agreement (IGA) among the Arizona Department of Water Resources, CAWCD and the Arizona Water Banking Authority. The amendment provides for CAWCD to retain control of the use of 4-cent tax revenues that it levies and collects within its three-county service area. It further provides for AWBA to pursue legislation to authorize the purchase of long-term storage credits. As a result of the passage of HB2326, AWBA is proposing to purchase long-term storage credits with 4-cent tax revenues collected in Maricopa and Pima Counties to make further progress in meeting CAP M&I firming goals in the Phoenix and Tucson Active Management Areas. The IGA requires CAWCD, by December of each year, to establish the amount of the 4-cent tax revenues that will be made available to AWBA for credit purchases in the following year. When AWBA reaches agreement with an entity to purchase credits, it must provide CAWCD with a copy of the purchase agreement and request the transfer of 4-cent tax revenues to the AWBA account.
Mr. McCann responded to Directors’ questions.

Director Lewis stated that he opposes the proposed recommendation based on his view that the collection of taxes by CAWCD for use by the AWBA creates an attractive nuisance and he believes the AWBA and CAWCD should not be separate agencies.

On a motion (Director Hartdegen) and a second, the Board approved establishing the amount of 4-cent tax revenues to be allocated during 2015 that will be available to the Arizona Water Banking Authority for the purchase of long-term storage credits during 2015, as follows: $3 million collected from Maricopa County for the purchase of long-term storage credits in the Phoenix AMA and $3.1 million collected from Pima County for the purchase of long-term storage credits in the Tucson AMA. Director Lewis voted against the motion.

REPORT OF CAGRD & UNDERGROUND STORAGE COMMITTEE AND CONSIDERATION OF COMMITTEE RECOMMENDATIONS

Director Atkins reported that at the November 20, 2014, CAGRD & Underground Storage Committee meeting, the Committee voted unanimously to forward the 2015 CAGRD Draft Plan of Operation to the Board for final approval and to include the transmittal letter in the Plan.

Mr. Rule discussed comments that have been received from various organizations concerning the plan and changes that were made to the Final Draft as a result of the comments.

Public Comment


On a motion (Director Atkins) and a second, the Board approved the Final Draft 2015 CAGRD Plan of Operation reflecting changes as presented to the Board through the December 4, 2014, Board Meeting and authorized submittal to the Arizona Department of Water Resources on or before December 31, 2014, with the understanding that staff may make minor, non-substantive corrections and/or edits to the document prior to submittal.

On a motion (Director Atkins) and a second, the Board approved the letter transmitting the Final Draft 2015 CAGRD Plan of Operation to the Arizona Department of Water Resources and that the transmittal letter be bound in the Plan documents submitted to the Department.

Mr. Cullom summarized the Drought Response and Sustainability Plan efforts undertaken by the Basin States and the Secretary of the Interior and captured in a Memorandum of Understanding (MOU) among the parties. The MOU provides for the parties to use their best efforts to generate additional storage in Lake Mead to benefit the Colorado River system and reduce the risk of shortages. CAP intends to leave 345,000 acre-feet of water in Lake Mead during the term 2014 through 2017 via falling programs, intentionally created surplus programs and unused diversions.

Public Comment

Mr. Tom Buschatzke, Arizona Department of Water Resources (ADWR), spoke in favor of the MOU and stated that it has been signed by ADWR Director Lacey.

On a motion (Director Lewis) and a second, the Board approved the Memorandum of Understanding Among the United States Through the Department of the Interior, Bureau of Reclamation, Central Arizona Water Conservation District, the Metropolitan Water District of Southern California, the Southern Nevada Water Authority, the Arizona Department of Water Resources, the Colorado River Board of California, the Colorado River Commission of Nevada for Pilot Drought Response Actions provided the material terms of the final agreement are consistent with those presented to the Board; and authorized the General Manager to execute and implement the agreement and issue a press release.

REPORT AND DISCUSSION OF COLORADO RIVER ACTIVITIES, INCLUDING BUT NOT LIMITED TO WATER SUPPLY AND DISCUSSIONS AMONG THE SEVEN BASIN STATES ON MANAGEMENT OF THE RIVER

Ms. Pearthree discussed the current status of the Colorado River supply. As of mid-November, Lake Mead was at elevation 1,085 feet and Lake Powell was at elevation 3,602 feet. Total Colorado River system contents were 27.76 maf.

REPORT AND DISCUSSION OF CAP OPERATIONS AND MAINTENANCE

Mr. McCann reported on major work that was accomplished at the southern end of the system during the 2014 Fall Outage (October 19-November 15).
RECOGNITION OF OUTGOING DIRECTOR ZIMMERMAN
Vice President Tenney thanked Director Zimmerman for her service to CAWCD and presented her with a caricature commemorating her service.

DIRECTORS' REPORTS ON CURRENT EVENTS
Directors reported on various meetings and events they attended.

PRESIDENT'S REPORT ON CURRENT EVENTS
Vice President Tenney reviewed current events and future meeting dates.

GENERAL MANAGER’S REPORT ON CURRENT EVENTS
Mr. Modeer reported on current events.

CONSIDERATION OF ACTION TO GO INTO EXECUTIVE SESSION OF THE BOARD
By unanimous consent, the Board convened in Executive Session at 1:09 p.m. for the following purposes: Pursuant to A.R.S. §§38-431.03.A.3 and 38-431.03.A.4 to consult with the attorneys for the District and consider the District's position and instruct its attorneys regarding a potential water supply acquisition and pursuant to A.R.S. §38-431.03.A.3 to obtain legal advice from the District's attorneys on any matter listed on the agenda.

The Board reconvened in open session at 2:38 p.m.

CONSIDERATION OF ACTION REGARDING ITEMS DISCUSSED IN EXECUTIVE SESSION
On a motion (Director Atkins) and a second, the Board voted to direct staff to proceed with the potential water supply acquisition on the terms outlined in Executive Session.

PUBLIC COMMENT
None

There being no further business to come before the Board, the meeting adjourned at 2:38 p.m.

_______________________________
Lisa Atkins, Secretary
CONTACT: David Johnson  
(623) 869-2375  
djohnson@cap-az.com

MEETING DATE: January 8, 2015

AGENDA ITEM: Approval of Agreement between CAWCD and the City of Scottsdale ("Scottsdale") to Store Water at the Superstition Mountains Recharge Project

RECOMMENDATION:  
Staff recommends that the Board approve the Agreement for Storage of Water at the Superstition Mountains Recharge Project between CAWCD and the City of Scottsdale.

FINANCIAL IMPLICATIONS: None.

LINKAGE TO STRATEGIC PLAN, POLICY, STATUTE OR GUIDING PRINCIPLE:  
CAWCD Board of Directors 2010 Strategic Plan  
• Water Supply: Reliability of the CAP Water Supply

PREVIOUS BOARD ACTION/ACTIVITY:  
There has been no previous Board activity regarding the proposed water storage agreement.

ISSUE SUMMARY/DESCRIPTION:  
Pursuant to the terms of the water storage agreement, Scottsdale desires to store water at the Superstition Mountains Recharge Project for a term of 10 years.

Attached is the Agreement for Storage of Water at the Superstition Mountains Recharge Project. The water storage agreement includes CAWCD’s standard requirements pertaining to scheduling storage capacity, water measurement and accounting, billing and payment. The water storage rate charged to Scottsdale for recharge on any particular year is established in CAWCD’s Water Rate Schedule.

SUGGESTED MOTION:  
I move that the Board approve the Agreement for Storage of Water at the Superstition Mountains Recharge Project between CAWCD and the City of Scottsdale.

Attachment.
1. **PARTIES:**
   This Agreement is made and entered into the ______ day of ______________, 20 _____, by and between the CENTRAL ARIZONA WATER CONSERVATION DISTRICT, hereinafter referred to as "CAWCD", and the CITY OF SCOTTSDALE hereinafter referred to as "Scottsdale".

2. **RECITALS:**
   2.1 CAWCD is responsible for operating the Superstition Mountains Recharge Project (SMRP), an underground storage facility that is located in the east Salt River Valley sub-basin of the Phoenix Active Management Area. The SMRP is more specifically located in portions of Sections SE 1/4 of Sec. 23, SW 1/4 of Sec. 24, NW 1/4 of Sec. 25, NE 1/4 of Sec. 26, Township 2S, Range 8E, GSRB&M, Maricopa County, Arizona.

   2.2 ADWR has issued Constructed Underground Storage Facility Permit No. 71-207702.0002 to CAWCD for the SMRP. The permit authorizes the underground storage of a maximum of 25,000 acre-feet of water annually for Phase 1, and 56,500 acre-feet annually for Phase 2, at the SMRP. The SMRP is a State Demonstration Project pursuant to A.R.S. § 45-891.01 et seq.

   2.3 Scottsdale desires to store CAP water (Scottsdale Water) at the SMRP and CAWCD agrees to make available unused storage capacity at the SMRP for such storage, in accordance with the provisions of this Agreement.

   **NOW THEREFORE,** in consideration of the foregoing, the payments to be paid by Scottsdale, and the covenants and agreements contained in this Agreement, and other good and valuable consideration, CAWCD and Scottsdale agree as follows:

3. **DEFINITIONS:**
   As used in this Agreement, the following terms, when capitalized, have the following meanings:

   3.1 **ADWR: The Arizona Department of Water Resources.**
3.2 CENTRAL ARIZONA PROJECT (CAP): The water delivery works of the CAP including, but not limited to, the CAP canal, its turnout structures and associated measuring devices.

3.3 PARTY/PARTIES: Either one or both of the parties to this Agreement.

3.4 PERMIT: The Constructed Underground Storage Facility Permit No. 71-207702.0002.

3.5 TURNOUT STRUCTURE: The point at which Scottsdale Water is diverted from the CAP canal for delivery into the SMRP.

4. SCOPE:
This Agreement is limited to the diversion of water at the Turnout Structure, and the storage of such water at the SMRP by CAWCD for the benefit of Scottsdale. CAWCD shall deliver Scottsdale Water, which is scheduled by Scottsdale for storage at the SMRP in accordance with this Agreement, and CAWCD shall store such water underground at the SMRP for the benefit of Scottsdale.

5. TERM OF AGREEMENT:
This Agreement shall become effective when executed by both Parties and shall remain in effect for ten (10) years unless the Parties agree in writing to extend the term or unless it is sooner terminated or canceled in accordance with the terms of this Agreement.

6. CONDITIONS RELATING TO STORAGE:
6.1 All storage of Scottsdale Water at the SMRP shall be consistent with Arizona law.

6.2 Scottsdale shall obtain a water storage permit from ADWR authorizing it to store Scottsdale Water at the SMRP.

6.3 CAWCD's storage of Scottsdale Water at the SMRP shall, at all times, comply with the Permit and any terms and conditions imposed on Scottsdale pursuant to the water storage permit obtained in accordance with Section 6.2. CAWCD shall be responsible for filing annual reports as required by the Permit. CAWCD shall promptly notify Scottsdale of any changes or modifications to the Permit that would affect Scottsdale's rights under this Agreement. If the Permit is canceled or expires for any reason, Scottsdale may terminate this Agreement.

7. PROCEDURE FOR SCHEDULING STORAGE CAPACITY:
7.1 As soon as practicable after the date of execution of this Agreement, Scottsdale shall submit to CAWCD a proposed schedule indicating the amount of SMRP storage capacity it desires to use during the calendar
year in which this Agreement is executed. Thereafter, on or before October 1 of each year during the term of this Agreement, Scottsdale shall submit to CAWCD a proposed schedule indicating the amount of SMRP storage capacity Scottsdale desires to use during the following year.

7.2 As soon as practicable after receipt of Scottsdale's proposed schedule following the execution of this Agreement, CAWCD shall return to Scottsdale the schedule, as adjusted by and acceptable to CAWCD, indicating the amount of SMRP storage capacity that is available to Scottsdale for the year in which this Agreement is executed. Thereafter, on or before November 15 of each year during the term of this Agreement, CAWCD shall return to Scottsdale the schedule, as adjusted by and acceptable to CAWCD, indicating the amount of SMRP storage capacity that is available to Scottsdale for the following year.

8. WATER STORAGE RATE:
Each year under the term of this Agreement, CAWCD shall establish a per acre-foot recharge rate (Annual Recharge Rate) for the use of SMRP storage capacity for the following year, in accordance with CAWCD's adopted Recharge Rate Policy. Scottsdale shall be obligated to pay CAWCD this Annual Recharge Rate for each acre-foot of storage capacity used by Scottsdale during the year. Such payment shall be in accordance with the provisions of Section 13 below.

9. OPERATING AGENT:
9.1 CAWCD shall be responsible for operating the SMRP.
9.2 CAWCD shall retain sole responsibility and authority for decisions relating to the SMRP operating and maintenance practices, including maintenance scheduling and the selection of periods when maintenance will be done.
9.3 Whenever practicable, CAWCD shall inform Scottsdale ninety (90) days in advance of any matter which may substantially affect the SMRP or the rights of Scottsdale.

10. DESTRUCTION/RECONSTRUCTION OF THE SMRP:
In the event of destruction of all or part of the SMRP, CAWCD may repair or reconstruct the SMRP, but CAWCD shall not be obligated to do so.

11. WATER MEASUREMENT AND ACCOUNTING:
11.1 CAWCD shall base its accounting for all water delivered to the SMRP on actual measurements, methods required by the Permit and/or generally accepted accounting and engineering practices.
11.2 CAWCD shall install and maintain a flow measurement system to measure the amount of water diverted from the CAP into the SMRP. CAWCD shall test and maintain the accuracy of this system within plus or minus 5 percent of actual flows.

11.3 CAWCD shall determine evaporation losses representative of the conditions at or near the SMRP using the method indicated in the Permit or using actual measurements, when available. Any other losses in the SMRP shall be calculated using generally accepted engineering practices.

11.4 All losses that occur at the SMRP, other than by evaporation, will be calculated using generally accepted engineering practices and water-level readings from the gages in the basins.

11.5 CAWCD shall prepare a monthly water accounting report of water stored at the SMRP for Scottsdale. The report shall include the daily amount of water stored and the losses calculated as described in this Section.

11.6 CAWCD shall provide the ADWR with water accounting reports for the SMRP as required by the Permit.

11.7 The water accounting reports prepared pursuant to this Section shall be sent to Scottsdale monthly and shall be retained by CAWCD for at least three years.

11.8 CAWCD shall provide Scottsdale copies of SMRP annual reports submitted to ADWR.

12. **WATER QUALITY:**

Scottsdale shall indemnify and hold harmless CAWCD against all losses to third parties resulting from water quality degradation or harm to property caused by Scottsdale's use of the SMRP, due to the commingling of Scottsdale Water with the groundwater. Further, Scottsdale waives any claim on its own behalf against CAWCD for water quality degradation or harm to property arising from such commingling, unless such claim is intended to enforce the indemnification provision of this Section; provided, however, that Scottsdale shall indemnify and hold harmless CAWCD only to the extent that indemnification is not provided to CAWCD by the State of Arizona pursuant to A.R.S. Section 45-898.01; and provided, further, however, that Scottsdale's indemnification shall only extend to the percentage of degradation attributable to the water stored on behalf of Scottsdale at the SMRP under the terms of this Agreement. Scottsdale retains the right to claims against any other entity, including CAWCD, storing water in the SMRP in the amount proportionate to such amount stored by those other
entities. In no event shall CAWCD assume liability for water quality degradation resulting from the storage of water in the SMRP, solely due to its performance of obligations as the operating agent under this Agreement.

13. BILLING AND PAYMENTS:
13.1 On or before the 15th day of each month, CAWCD will bill Scottsdale for each acre-foot of storage capacity used by Scottsdale during the previous month. The amount billed to Scottsdale shall be equal to the Annual Recharge Rate multiplied by the number of acre-feet of Scottsdale Water delivered to the SMRP as measured at the Turnout Structure. Scottsdale shall pay CAWCD within thirty (30) days of receipt of such bill. Payment is not contingent upon and is not related to Scottsdale’s accrual of long-term storage credits from water stored at the SMRP.

13.2 If payment due under this Agreement remains unpaid more than sixty (60) days after its due date, CAWCD may terminate this Agreement effective upon 30 days written notice to Scottsdale. In the event CAWCD terminates this Agreement, Scottsdale shall remain obligated to pay any outstanding balance.

14. AUTHORIZATIONS AND APPROVALS:
Scottsdale shall be responsible for obtaining, at its own expense, any permits, authorizations and approvals required for the underground storage and recovery of water in the SMRP or for Scottsdale’s performance under this Agreement. Scottsdale shall keep CAWCD informed of its applications for such permits and authorizations. CAWCD will share information with Scottsdale to assist Scottsdale in its permit application. Scottsdale shall also be responsible for filing any annual reports or other documents necessary to maintain its right to store water at the SMRP.

15. LIABILITY:
15.1 Each Party shall assume liability for its own negligence and shall indemnify the other against any damages the non-negligent Party incurs as a result of the negligent Party’s action or inaction.

15.2 CAWCD shall assume no liability to Scottsdale for claims of damage resulting from CAWCD’s decision to curtail or stop water flows to the SMRP site during storm or emergency conditions.

15.3 CAWCD shall assume no liability to Scottsdale for quantities of recoverable or unrecoverable water stored underground or removed from underground storage; nor to replace water lost, unintentionally misdirected
or otherwise failing to reach the underlying aquifer. CAWCD, Scottsdale and any other entities storing water at the SMRP shall share in any deficiency resulting from such lost, misdirected or otherwise unstored water in proportion to the amount of the SMRP capacity it used at the time the deficiency accrued.

15.4 Liability, as described in Section 12 related to water stored in the SMRP by Scottsdale prior to termination of this Agreement, shall remain with Scottsdale after termination of this Agreement. This Section 15.4 shall survive expiration or termination of this Agreement, and remain in full force and effect.

15.5 In the event any third party institutes an action against CAWCD, Scottsdale or other entities storing water at the SMRP for claims arising from the activities undertaken pursuant to this Agreement, the parties named in the action shall meet to determine the procurement of legal counsel and the steps to take to defend against the action.

16. INSURANCE:

16.1 During the term of this Agreement, unless otherwise agreed in writing by CAWCD, Scottsdale shall procure and maintain in force or cause to be procured and maintained in force the following types of insurance:

16.1.1 Commercial General Liability Insurance naming CAWCD as an additional insured, including bodily injury, personal injury, property damage, wrongful death and contractual liability with a minimum limit of $1,000,000 per occurrence.

16.1.2 Business Automobile Liability Insurance with a minimum limit of $1,000,000.

16.1.3 Worker’s Compensation required by Arizona State law, and Employer’s Liability Insurance with limits of $1,000,000 per accident, $1,000,000 per employee per disease, and $1,000,000 aggregate for disease.

16.1.4 Commercial Umbrella – combined single limit of $4,000,000.

16.2 Any insurance carried by CAWCD shall be excess of and not contributory insurance to any insurance afforded hereunder. Scottsdale shall submit satisfactory proof of insurance to CAWCD prior to use of the SMRP. Such proof of insurance shall be in the form of a certificate stating the coverage provided and that such insurance shall not be canceled until after thirty (30) days prior written notice thereof shall have been given to CAWCD.
16.3 With written approval of CAWCD, Scottsdale may self-insure or combine the coverages required by this Agreement with coverages outside the scope of that required by this Agreement.

16.4 If Scottsdale fails to acquire, provide or continue the insurance coverages required, CAWCD may terminate this Agreement immediately upon written notice to Scottsdale.

17. DEFAULT:

17.1 Scottsdale and CAWCD shall pay all monies and carry out all other performances, duties and obligations agreed to pursuant to this Agreement. A failure by Scottsdale or CAWCD to adhere to the covenants and obligations to be kept and performed by it shall be an act of default under this Agreement.

17.2 In the event of a default by Scottsdale or CAWCD, then, within thirty (30) days following notice of such default either Party may cure the default either by advancing the necessary funds and/or rendering the necessary performance. Such notice shall specify the existence and nature of such default. If such default is not remedied within the 30 day cure period, the non-defaulting Party may immediately terminate this Agreement.

18. UNCONTROLLABLE FORCES:

Neither Party to this Agreement shall be considered in default in the performance of any of its obligations under this Agreement (other than obligations of Scottsdale to pay costs and expenses) when a failure of performance is due to Force Majeure. The term "force majeure"; shall mean any cause beyond the control of the Party unable to perform such obligation, including, but not limited to, failure of or threat of failure of facilities, flood, earthquake, storm, fire, lightning, and other natural catastrophes, epidemic, war, riot, civil disturbance or disobedience, strike, labor dispute, labor or material shortage, sabotage, government priorities and restraint by court order or public authority, and action or non-action by, or failure to obtain the necessary authorizations or approvals from any governmental agency or authority not a Party to this Agreement, which by exercise of due diligence, it shall be unable to overcome.

19. RESOLUTION OF DISPUTES:

A dispute between the Parties under this Agreement that cannot be resolved by informal negotiation may be submitted to arbitration. Arbitration shall be subject to the following provisions:

19.1.1 Arbitration shall be binding only upon the consent of the Parties.
19.1.2 A Party wishing to submit a dispute to arbitration shall provide thirty (30) days' written notice to the other Party of its intent to pursue arbitration and shall name one arbitrator at that time. Within fifteen (15) days of receiving this notice, the other Party to the dispute shall name one arbitrator and give written notice to the other Party of its selection. The two selected arbitrators shall, within five (5) days of selection of the second arbitrator, jointly select a third arbitrator.

19.1.3 Within thirty (30) days from the selection of the third arbitrator, the arbitrators shall hold a hearing. Within thirty (30) days from the conclusion of the hearing, the arbitrators shall render a decision on the dispute.

19.1.4 Arbitration shall be subject to the Arizona Arbitration Act, Arizona Revised Statutes, Title 12, Chapter 9, Article 1. In the event of a conflict between this Agreement and the Act, the provisions of this Agreement shall prevail.

19.1.5 A Party that is dissatisfied with the results of non-binding arbitration may pursue any other legal or equitable remedy not expressly provided for in this Section 19 and available to resolve the dispute.

20. ACTION PENDING RESOLUTION OF DISPUTES:
While a dispute is pending a resolution pursuant to Section 19, each Party shall continue to comply with all the terms and conditions of this Agreement, including making any payments required herein. Any amount paid by a Party pursuant to this Section 20 during the course of such dispute shall be subject to refund and adjustment upon a final resolution of any dispute involving an amount due.

21. GOVERNING LAW:
The laws of the State of Arizona shall govern this Agreement.

22. BINDING OBLIGATIONS:
All of the obligations set forth in this Agreement shall bind CAWCD and its successors and assigns. This Agreement shall not be assigned by Scottsdale or accrue to Scottsdale's successor, nor shall the SMRP capacity use rights hereunder of Scottsdale be used by another party. CAWCD retains the right to sell, lease, assign or otherwise convey its ownership of the SMRP to a third party. In such event, CAWCD may cancel this Agreement upon written notice to Scottsdale.
23. **NOTICES:**

23.1 Notice, demand or request provided for in this Agreement shall be in writing and shall be deemed properly served, given or made if delivered in person or sent by registered or certified mail, postage prepaid, to the persons specified below:

**Central Arizona Water Conservation District**
c/o General Manager
P.O. Box 43020
Phoenix, AZ 85080-3020

**City of Scottsdale**
c/o Water Advisor
9379 E. San Salvador
Scottsdale, AZ 85258

23.2 A party may, at any time, by notice to the other Party, designate different or additional persons or different addresses for the giving of notices.

24. **THIRD PARTY BENEFICIARIES:**
This Agreement shall not be construed to create rights in, or to grant remedies to, any third party as a beneficiary of this Agreement or of any duty, obligation or undertaking established herein.

25. **WAIVER:**
The waiver by either Party of a breach of any term, covenant or condition in this Agreement shall not be deemed a waiver of any other term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition of this Agreement.

26. **HEADINGS:**
Title and paragraph headings are for reference only and are not part of this Agreement.

27. **ENTIRE AGREEMENT:**
The terms, covenants and conditions of this Agreement constitute the entire Agreement between the Parties relative to the leasing of SMRP storage capacity, and no understandings or agreements not herein expressly set forth shall be binding upon them. This Agreement may not be modified or amended in any manner unless in writing and signed by the Parties.
28. **CONFLICT OF INTEREST:**
This Contract is subject to cancellation pursuant to the provisions of A.R.S. § 38-511 relating to conflict of interest.

IN WITNESS WHEREOF, this Agreement is executed by the Parties hereto.

**CENTRAL ARIZONA WATER CONSERVATION DISTRICT**

By: ________________________________

Pamela Pickard, President

Attest: ________________________________

Secretary

**CITY OF SCOTTSDALE**

By: ________________________________

W.J. "Jim" Lane

Its: ________________________________

Mayor

ATTEST:

By: ________________________________

Carolyn Jagger, City Clerk

APPROVED AS TO FORM:

______________________________

Bruce Washburn, City Attorney

By: ________________________________

Clifford J. Frey
Senior Assistant City Attorney
Agenda Number 5.

CONTACT: Laura Grignano               Ken Seasholes
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MEETING DATE: January 8, 2015

AGENDA ITEM: Report and Discussion of Recovery Planning

LINKAGE TO STRATEGIC PLAN, POLICY, STATUTE OR GUIDING PRINCIPLE:
2010 CAWCD Strategic Plan
• Water Supply: Complete and Implement Recovery Plan
• Water Supply: Develop Recovery Agreements to Implement Recovery

PREVIOUS BOARD ACTION/ACTIVITY:
• September 4, 2014 Report and Discussion of Recovery Planning
• June 5, 2014 Status Report and Update
• May 1, 2014 Board authorized CAWCD President to sign Preface Statement included in the final version of the Joint Recovery Plan

ISSUE SUMMARY/DESCRIPTION:
At the last quarterly update in September, staff reported that it had:
• Conducted a recovery partner survey identifying which of our M&I customers may be interested in partnering with CAP for recovery. The survey identified under what conditions they might be willing to accept previously stored water to offset reductions caused by a shortage.
• Started scheduling meetings with survey respondents to explore recovery opportunities.

Since the last Board update, staff has:
• Met one-on-one with 12 sub-contractors, one tribal interest and Salt River Project. Potential recovery opportunities (using either the credit exchange method or indirect recovery) were identified and in most cases they expressed interest in follow-on meetings to explore options further. The ultimate goal of these discussions is the development of recovery agreements.
- Begun developing the framework and templates for recovery agreements. Staff is proposing a programmatic approach, as opposed to individually crafted agreements.
- Reinitiated plans for a Phase II Feasibility Study for recovery wells at the Tonopah Desert Recharge Project (TDRP). Although construction of direct recovery facilities is not anticipated to occur immediately, the AWBA has stored over 400,000 AF at TDRP, and it will be an important future recovery location. The lead time for well construction and power transmission make early evaluation and preparation prudent.

Moving into the first quarter of 2015, staff will:
- Continue to develop the framework for recovery agreements, including their conditions and terms. These templates will be shared with the Board. All individual recovery agreements will come to the Board for approval.
- Complete the scoping of the Phase II Feasibility Study for TDRP

The next progress report to the Board is planned for either April or May.
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MEETING DATE: January 8, 2015

AGENDA ITEM: Briefing on "New Mexico Unit of CAP"

LINKAGE TO STRATEGIC PLAN, POLICY, STATUTE OR GUIDING PRINCIPLE:  
2010 CAWCD Board of Director Strategic Plan  
  • Water Supply: Reliability of the CAP Water Supply

PREVIOUS BOARD ACTION/ACTIVITY:  
Briefings on Arizona Water Settlements Act and Gila River Indian Community Water Rights Settlement, 2000 - 2004

ISSUE SUMMARY/DESCRIPTION:  
Colorado River Basin Project Act of 1968  
The Colorado River Basin Project Act authorized construction of the Central Arizona Project, defined to include Hooker Dam or suitable alternative. Hooker Dam was intended to divert waters from the upper Gila River and tributaries in New Mexico in exchange for delivery of CAP water to downstream users in Arizona. The Hooker Dam or alternative feature is sometimes referred to as the “New Mexico Unit of the CAP.”

Section 304(f) of the 1968 Act authorized the Secretary of the Interior to contract with water users in New Mexico for a water supply not to exceed a rolling 10-year average of 18,000 acre-feet per year, including reservoir evaporation. Any resulting New Mexico diversions must be junior to all Globe Equity and other existing rights and can be made only if they do not create economic injury or cost to those water rights holders.

The 1968 Act further provided that downstream Gila River water users in Arizona—e.g., the Gila River Indian Community—would receive water from the CAP in exchange for any water used in New Mexico as a result of this project. Any CAP water delivered in exchange for New Mexico uses is counted as part of Arizona’s 2.8 MAF Colorado River entitlement.
Hooker Dam Investigations
The Bureau of Reclamation initiated advanced planning studies for the New Mexico Unit in 1979. The studies were titled the Upper Gila Water Supply Study. Stage I studies concluded in 1982 with the identification of several reservoir sites for further investigation. Additional planning studies were conducted in 1985-1986. These studies identified new alternatives, including off-stream storage options. Ultimately, Reclamation decided that further investigations should be deferred until such time as New Mexico water users could better identify who would be willing to contract and pay for the supplemental water supply. No preferred alternative was ever identified. All of the alternatives resulted in significant environmental impact issues and all were of questionable economic feasibility. Furthermore, the studies were unable to project 18,000 acre-feet per year of demand for water within a 50-year planning period, and the suggestion was put forth that the project should be scaled back accordingly.

In the mid-1980s, Reclamation estimated construction costs for the New Mexico Unit ranging from $136 to $227 million, not including any CAP construction costs that would be allocated to the delivery of exchange water. In the early 2000s, consultants retained by the New Mexico Interstate Stream Commission estimated construction costs between $320 and $396 million for an off-stream storage project. In addition to construction costs, the New Mexico Unit would have significant annual operation and maintenance costs to pump Gila River water to its final place of use, such as Silver City, and would also have to pay CAP water delivery rates for the exchange water delivered to downstream users in Arizona.

More recently, the New Mexico Interstate Stream Commission requested assistance from Reclamation in assessing diversion and non-diversion proposals to meet water supply needs in southwestern New Mexico. Reclamation assessed 15 different stakeholder proposals and completed more than 50 investigations before submitting an appraisal-level assessments report regarding diversion and non-diversion proposals to the Commission.

Arizona Water Settlements Act of 2004
In conjunction with the development of the Gila River Indian Community Water Rights Settlement Agreement, the State of Arizona, the State of New Mexico, the Gila River Indian Community and other Gila River water users negotiated terms and conditions for the implementation of the exchange provisions of the Colorado River Basin Project Act related to the New Mexico Unit of the CAP. Those terms and conditions were captured in the New Mexico Consumptive Use and Forbearance Agreement, which was authorized, ratified and confirmed in section 212 of the Arizona Water Settlements Act of 2004 (AWSA). The AWSA made execution of the New Mexico Consumptive Use and Forbearance Agreement a condition to the effectiveness of the Gila River Indian Community Water Rights Settlement Agreement.

The AWSA also provided for $66 million from the Lower Colorado River Basin Development Fund to be deposited into the New Mexico Unit Fund, a State of New Mexico fund administered by the New Mexico Interstate Stream Commission. Those
funds may be used for any project to meet water supply demands for southwest New Mexico, as determined by the New Mexico Interstate Stream Commission; they need not be used to construct the New Mexico Unit of the CAP.

Reclamation began disbursements from the Basin Development Fund to the New Mexico Unit Fund in 2012, as required by the AWSA. The initial $66 million is indexed to 2004 and is to be paid in ten equal annual payments. Currently, Reclamation is paying New Mexico about $9 million per year. To date, New Mexico has received about $27 million.

Under section 212(j) of the AWSA, if the State of New Mexico provided written notice to the Secretary of the Interior by December 31, 2014, that it intends to construct or develop the New Mexico Unit of the CAP, then up to $34 million of additional funds from the Development Fund could be made available to New Mexico. Unlike the initial $66 million deposited into the New Mexico Unit Fund, these additional funds may only be used for actual construction of the New Mexico Unit.

Section 212(d) of the AWSA amended the Colorado River Basin Project Act to reduce the volume of water that may be used by the New Mexico Unit from 18,000 acre-feet per year to 14,000 acre-feet per year, based on a 10-year rolling average.

Under section 212(f) of the AWSA, all costs associated with the New Mexico Unit are excluded from CAP’s repayment obligation. As an authorized feature of the CAP, the costs of the New Mexico Unit would otherwise have been included with other CAP construction costs and allocated by Reclamation, with a portion of those costs being reimbursable by CAP. Under its 1988 master repayment contract, CAP could have been obligated to repay up to $82 million of the reimbursable costs of Hooker Dam or suitable alternative—i.e., the New Mexico Unit.

Recent Developments

On November 24, 2014, the New Mexico Interstate Stream Commission provided notice to Secretary Jewell that it intends to construct or develop the New Mexico Unit of the CAP. (See Attachment 1.) There are still a number of hurdles that New Mexico must overcome before any project is actually constructed and before New Mexico can gain access to the additional $34 million potentially available under the AWSA. Notably, the Secretary of the Interior must issue a record of decision by December 31, 2019, approving the project subject to the following:

- An environmental analysis pursuant to applicable federal law—i.e., NEPA and ESA review.
- A demonstration that construction of a project that would deliver an average annual safe yield, based on a 50-year planning period, greater than 10,000 acre-feet per year would not cost more per acre-foot than a project sized to produce 10,000 acre-feet per year.
There are also the practical problems that New Mexico must solve, such as finding potential customers for the water supply that are willing and able to pay the anticipated costs of the project.

**Implications for CAP**
The funds deposited into the New Mexico Fund under the AWSA are taken from the Lower Colorado River Basin Development Fund after being credited against CAP’s annual repayment obligation. Accordingly, there is no financial impact to CAP as a result of the $66 million currently being transferred or the additional $34 million that could be transferred if the New Mexico Unit is actually constructed. However, financial modeling performed by Reclamation when the AWSA was enacted did not account for funding the New Mexico Unit beyond the original $66 million due to the uncertainty of the project. If the additional $34 million is ultimately paid, it will put additional stress on the ability of the Development Fund to meet the needs of Arizona Indian tribes.

If the New Mexico Unit is constructed and Colorado River water is delivered to the Gila River Indian Community in exchange, that will reduce the amount of water otherwise available for CAP to deliver. At present, this would impact CAP excess water customers, such as the Arizona Water Banking Authority and CAGRD.
VIA ELECTRONIC AND OVERNIGHT MAIL

November 24, 2014

The Honorable Sally Jewell
Secretary of the Interior
United States Department of Interior
1849 C Street NW
Washington, DC 20240

Dear Madam Secretary:

Pursuant to Section 212(j)(1) of the 2004 Arizona Water Settlements Act, Public Law 108-451, the State of New Mexico, through the New Mexico Interstate Stream Commission, hereby provides you notice that the State of New Mexico intends to have constructed or developed the New Mexico Unit of the Central Arizona Project.

I enclose a November 24, 2014, resolution of the New Mexico Interstate Stream Commission authorizing this notification.

Very truly yours,

Jim T. Dunlap
Chairman
New Mexico Interstate Stream Commission

Encl.
RESOLUTION OF THE NEW MEXICO INTERSTATE STREAM COMMISSION REGARDING THE NOTIFICATION OF THE SECRETARY OF INTERIOR PURSUANT TO THE 2004 ARIZONA WATER SETTLEMENTS ACT

WHEREAS, the Arizona Water Settlements Act (AWSA) was passed by Congress and signed into law by the President in 2004 as Public Law 108-451;

WHEREAS, the AWSA allocates to New Mexico: 1) an annual average of up to 14,000 acre-feet consumptive use of additional water from the Gila basin in New Mexico; and, 2) between $66 and $128 million in non-reimbursable federal funding;

WHEREAS, the AWSA mandates that the New Mexico Interstate Stream Commission (“Commission”) make the final determination regarding how the additional water and the money available to the State under the Act will be utilized. (Section 212(d)(1) and Section 212 (i), respectively, of the AWSA);

WHEREAS, pursuant to the AWSA, New Mexico must provide notice to the Secretary of Interior no later than December 31, 2014, if it intends to develop the additional water through the construction of a New Mexico Unit of the Central Arizona Project; and,

WHEREAS, the Commission voted on November 24, 2014 in an open, public meeting, to pursue the development of a diversion and storage project through a New Mexico Unit of the Central Arizona Project.

NOW THEREFORE, BE IT RESOLVED, that the New Mexico Interstate Stream Commission, through its Chairman, Mr. Jim T. Dunlap, will notify Ms. Sally Jewell, Secretary of the United States Department of Interior, on or before December 31, 2014, that the State of New Mexico intends to have constructed or developed the New Mexico Unit of the Central Arizona Project.

Approved this 24th day of November, at the meeting of the New Mexico Interstate Stream Commission held in Albuquerque, New Mexico.

By: [Signature]
Jim T. Dunlap
Chairman
New Mexico Interstate Stream Commission
Colorado River Water Supply Report
Total System Contents: 27.58 MAF
12/21/14

Reservoir Capacities (MAF)

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<th>Reservoir</th>
<th>Current</th>
<th>Change</th>
<th>Maximum</th>
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<tr>
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<td>10.58</td>
<td>0.18</td>
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<tr>
<td>Lake Powell</td>
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<tr>
<td>Morrow Point Reservoir</td>
<td>0.11</td>
<td>0</td>
<td>0.12</td>
</tr>
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</table>

41%, 10.58 MAF
Tier 1 Shortage 1,075'

48%, 11.66 MAF
2014 Equalization Level 3,648'

3,700'
As of 12/29/2014, the current SWE is 106% (6.6 inches) of the 30-year median (6.2 inches) and 41% of the seasonal median (16 inches). The snow accumulation is slightly higher than that measured on 12/29/2013 (6.3 inches).

Snow Water Equivalent (SWE) data collected in the Upper Colorado River Basin provide the status of snow accumulation; the SNOTEL sites used to compute the SWE above Lake Powell are mapped below (right) and a typical site is pictured (left).
TO: David Modeer and CAWCD Board
FR: Terry Bracy, Tracy Tucker, and Brandon Avila
DA: December 22, 2014
RE: Federal Legislative Report for Board Meeting

Congress in Recess

The House and Senate adjourned after a lame duck session that was highlighted by the FY2015 “CRomnibus” appropriations bill, extension of a number of short-term tax breaks, the Defense Authorization Act and presidential nominee confirmations.

With the upcoming 114th Congress starting in early January, leaders will begin to compile their legislative priorities for the next two years.

President Signs CRomnibus

On December 16 the President signed the Fiscal Year 2015 “CRomnibus”, which funds the government for the remainder of the fiscal year.

The $1.1 trillion measure, which was debated and passed by Congress in the recent lame duck session, funds all agencies of the federal government with the exception of the Department of Homeland Security whose funding will be pushed to the end of February 2015.

President Signs Bill Williams Water Rights Settlement Act

On December 16 the President signed the Bill Williams Water Rights Settlement Act. CAP participated in the negotiations with the Hualapai Tribe, Freeport Minerals Corporation and others that led to the introduction of the legislation. The bill was supported unanimously in both the House and Senate under the leadership of the Arizona delegation.

Senate approves Lopez to Bureau of Reclamation

On December 16 the Senate voted unanimously by voice vote to confirm Estevan Lopez as Commissioner of the Bureau of Reclamation. Other confirmed nominees include
Colette Honorable to the Federal Energy Regulatory Commission, Chris Smith to be the Energy Department's assistant secretary for fossil energy, and John Cruden to be assistant attorney general for the Justice Department's Environment and Natural Resources Division.

On December 22 Interior Secretary Sally Jewell released the following statement in support of Estevan Lopez as the new BOR commissioner:

“I am pleased the Senate has voted to confirm Estevan López to this important leadership post at the Interior Department. Estevan is uniquely qualified to lead the Bureau of Reclamation – our nation’s largest wholesale water supplier and second largest producer of hydroelectric power. With decades of public service to the people of New Mexico, water management expertise, and an ability to bring together diverse stakeholders from across the spectrum, he is well suited to the challenges of being Commissioner in the 21st century. His leadership is already helping Reclamation effectively manage water and power resources during a time when demand for both has surged in parts of the West yet drought and climate change threaten supplies.”

Before López, Deputy Secretary of the Interior Mike Connor served as Reclamation Commissioner.

**Tax Extenders Passed**

On December 16 the Senate passed, 76-16, a $41.6 billion package of temporary tax break extensions. Senate passage, following House passage of the bill (HR 5771) earlier this month, extends the tax credits for only the 2014 tax year. Included in the bill are some energy related extensions such as credits for facilities producing energy for certain renewable resources and deductions for energy efficient commercial buildings.

Lawmakers have pledged to revisit this tax issue in early 2015 to craft a long-term tax solution.

**EPA Greenhouse Gas Regulations**

On December 16 Republicans on the House Energy and Commerce Committee released a report on their plans to continue to fight the EPA’s proposal to limit greenhouse gas emissions from the power sector.

The 30-page document charges that the administration’s Clean Power Plan oversteps federal authority and questions whether states should work to comply with the regulation before numerous legal challenges are settled.
Based on testimony from three hearings, the Republican report also cites potential jurisdictional problems between EPA and the Federal Energy Regulatory Commission and picks apart the proposal's suggested methods for reaching reductions.

With the Republicans retaining control of the House Energy and Commerce, it is clear that the committee is going to continue its legislative fight with the administration in the 114th Congress.

**Drought Legislation**

On December 9 the House passed H.R. 5781, California Emergency Drought Relief Act of 2014, by a vote of 230-182. The bill would temporarily redirect water from rivers and reservoirs in the northern portion of the state toward farmers and residents in the agriculture-heavy Central Valley during the entrenched drought. The bill was staunchly opposed by environmentalists, fishing groups and lawmakers from other regions of the state. However, a compromise on the bill with the Senate never occurred before the end of the session. Any work on the measure will have to be taken up in the next congress.

**Cybersecurity**

The recent hacking incident against Sony Pictures has caused an increased sense of urgency on addressing cybersecurity legislation in Congress. House Homeland Security Committee Chairman McCaul (R-TX) issued a statement recently saying that cybersecurity will be a top focus for his committee in the 114th Congress. The President also publicly weighed in on the incident, stating that he hopes to work with Congress on cybersecurity legislation that would facilitate information sharing so attacks can be prevented.

Sen. John McCain (R-Ariz.), who is expected to become chairman of the Senate Armed Services Committee in the next Congress, has also raised concerns about the Sony incident. Assuming he is elected Armed Services Committee chairman, McCain said that he will establish a subcommittee focused on cybersecurity matters. He also called for Congress to pass comprehensive cybersecurity legislation.

On Dec. 18, the president signed a series of largely noncontroversial cybersecurity bills finalized by Congress as it prepared to adjourn for the year. The measures included a bill (S. 2519) to clarify the Department of Homeland Security's cyberthreat data sharing role, and legislation (S. 2521) to update the Federal Information Security Management Act (FISMA).

However, Congress failed to complete work on legislation to provide liability protection to companies that share cyberthreat data with government or industry partners.
114th Committees

Congressional leaders continue to provide updates on committee positions and staff changes. Below is a summary of the relevant energy and environment committees.

House Energy and Environment Committee Leadership

The House leadership remains Republican in the new Congress but some changes occurred. Rep. Hastings (R-WA) is retiring, so Rep. Bishop (R-UT) will become the chair of the Natural Resources Committee. Rep. Grijalva (D-AZ) was named the ranking member on the committee. Rep. Grijalva announced that Meghan Conklin will serve as his staff director in the 114th Congress. Conklin is currently a senior aide on the Senate Energy and Natural Resources Committee and formerly served as a high-level appointee in the Interior Department and Fish and Wildlife Service during the Obama administration.

Rep. Shuster (R-PA) will retain the chair of the Transportation and Infrastructure Committee. With ranking member Rahall (D-WV) losing his re-election race, Rep. Defazio (D-OR) is taking over the ranking position.

Additionally, the House Science, Space and Technology Committee announced its Republican members recently. Rep. Schweikert (R-AZ) is leaving the Committee. Schweikert was the author of the "Secret Science Reform Act of 2014" (H.R. 4012), which would prohibit EPA from finalizing rules that are based on science that isn't "transparent or reproducible," that the House passed last month.

Senate Energy and Environment Committee Leadership

The Senate Energy and Natural Resources Committee will be led by Sen. Murkowski. Murkowski has indicated that she will be focused on moving smaller bills rather than a large package. Advancing the Keystone XL pipeline and pursuing measures to expedite the permitting processes for energy production would be part of that agenda.

The Minority ENR ranking member will be taken over by Sen. Cantwell (D-WA). Senator Flake (R-AZ) also announced his position on this committee.

Sen. Inhofe (R-OK) will chair the Environment and Public Works Committee and will likely use his position to try to roll back regulations pursued by the Environmental Protection Agency. Sen. Boxer (D-CA) moves from Chair to Ranking Senator.