DRAFT MEMORANDUM

TO: CSKT Negotiating Team; Jay Weiner, Susan Cottingham, Sonja Hoeglund, Bill Greiman, Stan Jones, CSKT Files
FROM: Joan Specking
RE: Draft Summary of June 30, 2010 CSKT Negotiating Session, KwaTakNuk Resort
DATE: July 20, 2010

Chairman: Bud Moran Chairman CSKT.

Agenda **(Attachment 1**)

1. Opening Prayer (Prayers are not recorded)

2. Introductions.
Clayton Matt said there would be a detailed technical presentation and discussion of issues.

See Sign-in Sheet (Attachment 2)

3. Opening Statements
Chris Tweeten expressed that his team is anxious to move forward and to look at some of the information that will be presented today.

Duane Mecham said there would be more introductions later in the meeting when presentations were given.

Bud Moran said he feels the same and it's too bad they couldn't work on the negotiations every day for 3 or 4 months and get it done.

4. Technical/Legal Working Group Updates

Clayton asked if there were updates on the legal side and given none, turned the meeting over to Duane Mecham and his staff for a technical presentation.

Duane explained that the federal team consists of all the federal agencies who have an interest in helping resolve water right issues or have some kind of expertise that will head them in that direction. The Bureau of Reclamation has interest in the basin with the Hungry Horse Project upstream and Wendy Christianson is on the federal team as a representative from the BOR. She will introduce the next part of the program which is about the modeling on potential use of the Hungry Horse Project for additional water supply. After that they will segue back into a discussion of how to go forward on this subject.

Wendy introduced Mary Mellema, with nine years experience with BOR doing modeling and involved in BOR reservoirs in the Pacific Northwest including Hungry Horse. In October 2008, Leslie Stillwater gave a presentation to this group on the preliminary investigations done at that time.

Since then, Mary has been evaluating the scenarios they hope will inform the negotiation process. She thanked everyone for participation and cooperation. They will have a time for questions and answers after the presentation.

Mary gave the results of some modeling they have been doing. They are looking at scenarios that have been looked at for some time and are at a point where they have good information that can be used in the negotiations. The purpose of the modeling was to look at the effects of diverting additional water from the Flathead Basin to the CSKT for irrigation and other uses. It is not a proposal by any of the parties but information to determine the effects on the basin and to provide good information on the negotiations. She oriented her discussion by using maps of lakes, rivers and irrigation. The area of concern is the southern part of Flathead Lake and the areas of diversion and return flows in addition to existing diversions. (See Attachment 3) They looked at the maximum effect on the system in the model. Modeling of natural flows was based on priority date of water rights, and the earliest priority was given to the new tribal diversions. Assumptions include that they continue current operations in the Flathead Basin including the current BiOp conditions in the lower Columbia River Basin, and for the 2000 U.S. Fish & Wildlife Service BiOp for flows downstream to maintain minimum flows at Columbia Falls for bull trout concerns. The handout gives the three scenarios modeled: 1) base case, 2) natural flow, 3) natural flow plus 90,000 af extra from Hungry Horse July-September to supplement the natural flow in years where natural flow can't meet the new Tribal diversions required.

Hungry Horse: The modeling looked at the effects on Hungry Horse and the maximum elevations and dry water years. In a wet year there is no change to the maximum fill of Hungry Horse Reservoir. More than 50% of the time the elevation is not changed with all three scenarios; it would fill to the same level. There is one foot or less between the scenarios 86% of the time (68 out of 79 years). She explained the discharges from the Reservoir, from April 10th to June 30th which is critical time for fish on the Columbia River. In the above average years where there is a lot of volume there is no difference in the flows during that period. Looking at below normal years there is a slight difference in the amount discharged during the period. The greatest difference in spring discharges was 102,000 af, which is a flow difference of about 641 cfs through that period. There are 26 years out of 1930-2008 used, where the differences were less than 100 af which is less than 1 cfs over that period. There are a lot of years where the impact to flow out of Hungry Horse is pretty minimal. She talked about how the Tribal diversions would be met downstream. They have a 78 year period for modeling to show shortages. In 78 years about 20% of the years there was 20,000 af or greater shortages in the Tribal diversions with only natural flow. They realized additional storage would be needed to meet the shortages, which in dry years could be up to 120,000 af. In the model, when the additional 90,000 af were released from Hungry Horse during the July to September period, the shortages were always less than 20,000 af. This occurred usually in the period between March and June. During the July – September period of the greatest demand, there were no shortages because they were being met with the Hungry Horse additional 90,000 af coming through.

Flathead Lake: She showed a July-September elevation model of the lake. About 55% of the time all scenarios keep the lake essential full through the summer period. Where differences occur is in the dryer years. The greatest difference is 0.4 feet or about 5 inches. 2 out of the 79 years in the model the greatest difference was about .4 feet.

In modeling they did not do any adaptive management. In years like 2001 adaptive management took place on the lake so the lake would stay fuller during the summer. In reality it is showing the greatest effect that would occur without adaptive management. There is an impact from extra depletions that would go to Tribal diversions with an earlier priority date. Extra water from Hungry Horse would store in Flathead Lake and the impact lessened on the elevation. She gave an example from one year.

Flathead River: She showed flows that would come through the river at Perma, April 10-June 30th in acre-feet. 39:41