



United States Department of the Interior

BUREAU OF RECLAMATION
Mid-Pacific Regional Office
2800 Cottage Way
Sacramento, California 95825-1898

AUG 17 2018

IN REPLY REFER TO:

MP-100
WTR 4.00

Ms. Karla Nemeth
Director
Department of Water Resources
1416 Ninth Street, Room 1115-1
Sacramento, CA 95814

Subject: Notice of Negotiation – Coordinated Operation Agreement (COA)

Dear Director Nemeth:

Since June 1, 2016, the Mid-Pacific Region of the Bureau of Reclamation (Reclamation) and the Department of Water Resources (DWR) for the State of California have been conducting a mutual review of the 1986 COA as prescribed in Article 14(a) of that Agreement, for the purpose of determining if revisions to COA are warranted. This process was initiated following a series of preliminary meetings dating back to August 2015.

There have been numerous meetings over the past two years, which have included Central Valley Project (CVP) and State Water Project (SWP) contractors. This has included considerable productive discussion and sharing of information and data through which we have learned a great deal about our respective operations as they have evolved over the years. At this point, we have concluded the Article 14(a) review process. Unfortunately, we have been unable to mutually agree on revisions to COA for maintaining conformity with the objectives and principles embodied in the 1986 COA and underlying technical studies.

Absent mutual agreement on revisions needed to COA, Reclamation respectfully makes this Notice of Negotiations in accordance with Article 14(b)(2). I am designating Mr. Federico Barajas as the Lead Negotiator for Reclamation and request DWR identify their Lead Negotiator. It is suggested the respective leads immediately form their negotiating teams and proceed with negotiations within the next 30 calendar days in order to allow for satisfactory conclusion of an agreement within twelve months of the date of this letter, per COA. We are hopeful an agreement can be achieved within the twelve-month period; however, in the event that does not occur, Reclamation will work with DWR to follow the procedure outlined in Article 14(b)(2) to assemble an Advisory Board which shall “report its unanimous recommendations to both parties at a date not later than 24 months from the date of” this Notice of Negotiation.

Sincerely,

David G. Murillo
Regional Director