

The Special Meeting of the Southern Nevada Water Authority Board of Directors and the Colorado River Commission of Nevada was held at 9:00 a.m. on Thursday, December 6, 2007, in the Mead Conference Room at the Las Vegas Valley Water District, 1001 South Valley View Boulevard, Las Vegas, Nevada.

COLORADO RIVER COMMISSIONERS IN ATTENDANCE

Chairman	Jay D. Bingham
Commissioner	Andrea Anderson
Commissioner	Chip Maxfield
Commissioner	George F. Ogilvie III
Commissioner	Lois Tarkanian

COMMISSIONERS IN ATTENDANCE VIA TELECONFERENCE

Vice Chairman	Ace I. Robison
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COLORADO RIVER COMMISSIONERS NOT IN ATTENDANCE

Commissioner	Marybel Batjer
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DEPUTY ATTORNEYS GENERAL

Senior Deputy Attorney General	Jennifer T. Crandell
Senior Deputy Attorney General	Ann C. Pongracz

COLORADO RIVER COMMISSION STAFF IN ATTENDANCE

Executive Director	George M. Caan
Deputy Executive Director	James D. Salo
Natural Resource Analyst	McClain Peterson
Natural Resource Analyst	Nicole Everett
Office Manager	Judy Atwood
Administrative Assistant III	Janet L. Nuszbaum

SOUTHERN NEVADA WATER AUTHORITY BOARD OF DIRECTORS IN ATTENDANCE

Chair	Shari Buck
Vice Chair	Rory Reid
Director	Andrea Anderson
Director	Steven Kirk
Director	Chip Maxfield
Director	Lois Tarkanian

SOUTHERN NEVADA WATER AUTHORITY STAFF IN ATTENDANCE

General Manager
Deputy General Manager
Deputy General Counsel

Patricia Mulroy
Kay Brothers
John Entsminger

OTHERS PRESENT; REPRESENTING

Consultant
Consultant

Jim Davenport
Sara Price

**SPECIAL JOINT MEETING
OF
SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AND
COLORADO RIVER COMMISSION OF NEVADA
DECEMBER 6, 2007**

INDEX

<u>Agenda Item</u>	<u>Subject</u>	<u>Page No.</u>
1.	Approve and authorize the Authority’s General Manager and the Commission’s Executive Director to execute, in substantially the same form, the Forbearance Agreement, and attached Exhibits, among the Arizona Department of Water Resources, the Palo Verde Irrigation District, the Imperial Irrigation District, the City of Needles, the Coachella Valley Water District, the Metropolitan Water District of Southern California, the Commission and the Authority	1-2
2.	Approve and authorize the Authority’s General Manager and the Commission’s Executive Director to execute, in substantially the same form, a Delivery Agreement among the United States of America, by and through the Secretary of the Interior and the Bureau of Reclamation, the Commission and the Authority	1-2
3.	Approve and authorize the Authority’s General Manager and the Commission’s Executive Director to execute, in substantially the same form, the Drop 2 Reservoir Funding Agreement among the Bureau of Reclamation, the Commission and the Authority for the contribution of funds by the Authority for the construction and operation of the Drop 2 Reservoir	1-2

The meeting was called to order by Chairman Bingham at 9:05 a.m.

- 1. Approve and authorize the Authority's General Manager and the Commission's Executive Director to execute, in substantially the same form, the Forbearance Agreement, and attached Exhibits, among the Arizona Department of Water Resources, the Palo Verde Irrigation District, the Imperial Irrigation District, the City of Needles, the Coachella Valley Water District, the Metropolitan Water District of Southern California, the Colorado River Commission of Nevada and the Southern Nevada Water Authority.**
- 2. Approve and authorize the Authority's General Manager and the Commission's Executive Director to execute, in substantially the same form, a Delivery Agreement among the United States of America, by and through the Secretary of the Interior and the Bureau of Reclamation, the Colorado River Commission of Nevada and the Southern Nevada Water Authority.**
- 3. Approve and authorize the Authority's General Manager and the Commission's Executive Director to execute, in substantially the same form, the Drop 2 Reservoir Funding Agreement among the Bureau of Reclamation, the Colorado River Commission of Nevada and the Southern Nevada Water Authority for the contribution of funds by the Authority for the construction and operation of the Drop 2 Reservoir.**

Colorado River Commission of Nevada Executive Director George Caan explained that it was an extremely important day for both southern Nevada and the entire Colorado River system. Three agreements are being presented for review and approval. These agreements are a new chapter in the Law of the River. They are a chapter that will provide additional benefits not just in looking at how we manage shortages on the Colorado River system, but also how we look at operating these reservoirs, Lake Powell and Lake Mead, in a way that coordinates their operations for the benefit of everyone who has a reliance on this river system. These three agreements are going to be covered by Jim Davenport and John Entsminger, both who have spent inordinate amounts of time working with the other states on getting these agreements together.

Mr. Davenport and Mr. Entsminger then presented an overview of the Colorado River reservoir operations and management guidelines as well as the Seven States Agreement, a copy of which is attached hereto and made a part of the minutes. (See Attachment A.)

Mr. Entsminger stated that this is the next layer on the cake that is the Law of the Colorado River. Essentially after almost two years of negotiations, on April 30, 2007, the Seven States submitted a package to the Secretary of the Interior (Secretary) as comments on the Draft Environmental Impact Statement during this process. The package contained five documents: the transmittal letter; the executed version of the Basin States' Agreement; Proposed Interim Guidelines for Colorado River Operations; the Lower Colorado River Basin Intentionally Created Surplus Forbearance Agreement (Forbearance Agreement); and an executed version of the Arizona-Nevada Shortage Sharing Agreement. Mr. Entsminger then went over each of the documents in detail.

Southern Nevada Water Authority General Manager Pat Mulroy then added that it has been very important to Nevada that all of these agreements move in tandem with one another. So at Nevada's

insistence, the letter of transmittal to the Secretary was amended and we asked the Secretary to not sign the Record of Decision in the absence of the boards that have to approve all of these delivery and forbearance agreements not having acted first. We went through some difficulties with the QSA back in 2003, and in an effort to avoid that and not have some things be able to move forward while other things are frozen. Our inability to have the necessary forbearance and delivery agreements in place would be very difficult for us, we have requested that all boards, and they are all scheduled to meet this week and next week, prior to next Thursday, have at least approved them before the record of decision becomes final and the guidelines become final.

Commissioner Maxfield moved to approve the agreements and follow staff recommendation to authorize the Authority's General Manager and the Commission's Executive Director to execute the agreements. The motion carried by a unanimous vote of those present.

Comments and questions from the public and discussion. (No action may be taken on a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action will be taken.)

There were no comments or questions from the public.

There being no further Colorado River Commission of Nevada business, the meeting adjourned at 9:52 a.m.

George M. Caan, Executive Director

APPROVED:

Jay D. Bingham, Chairman