



SOUTHERN NEVADA
WATER AUTHORITY

A G E N D A
SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS

SPECIAL MEETING
4:00 P.M. – JUNE 27, 2013

BOARD CHAMBERS, SOUTHERN NEVADA WATER AUTHORITY
100 CITY PARKWAY, SEVENTH FLOOR, LAS VEGAS, NEVADA
(702) 258-3100

Board of Directors

Shari Buck, Chair
Mary Beth Scow, Vice Chair
Sam Bateman
Susan Brager
Bob Coffin
Duncan McCoy
Steve Sisolak

Patricia Mulroy,
General Manager

The Southern Nevada Water Authority makes reasonable efforts to assist and accommodate persons with physical disabilities who desire to attend the meeting. For assistance, call Katie Horn at (702) 822-8630 at least 24 hours prior to the meeting.

THIS MEETING HAS BEEN PROPERLY NOTICED AND POSTED IN THE FOLLOWING LOCATIONS:

City of Boulder City, City Hall
401 California Street
Boulder City, Nevada

City of Henderson, City Hall
240 Water Street
Henderson, Nevada

City of North Las Vegas, City Hall
2250 Las Vegas Boulevard North
North Las Vegas, Nevada

City of Las Vegas, City Hall
495 South Main Street
Las Vegas, Nevada

Clark County Government Center
500 S. Grand Central Parkway
Las Vegas, Nevada

Clark County Water Reclamation District
5857 E. Flamingo Road
Las Vegas, Nevada

Southern Nevada Water Authority
100 City Parkway, Suite 700
Las Vegas, Nevada

Las Vegas Valley Water District
1001 S. Valley View Boulevard
Las Vegas, Nevada

All items on the agenda are for action by the Board of Directors, unless otherwise indicated. Items may be taken out of order. The board may combine two or more agenda items for consideration, and the board may remove an item from the agenda or delay discussions relating to an agenda item at any time.

CALL TO ORDER

COMMENTS BY THE GENERAL PUBLIC

NO ACTION MAY BE TAKEN: This is a period devoted to comments by the general public pertaining to items on this agenda. If you wish to speak to the Board about items within its jurisdiction, but not appearing on this agenda, you must wait until the “Comments by the General Public” period listed at the end of this agenda. Please limit your comments to three minutes or less and refrain from making comments that are repetitious, offensive, or amounting to personal attacks. No action may be taken upon a matter not listed on the posted agenda.

ITEM NO.

1. *For Possible Action:* Approve agenda with the inclusion of tabled and/or reconsidered items, emergency items and/or deletion of items, and approve the minutes of the regular meeting of May 16, 2013.
2. *For Possible Action:* Receive a presentation from the SNWA Youth Advisory Council and direct staff accordingly.
3. *For Possible Action:* Make appointments to the Technical Review Committee.

COMMENTS BY THE GENERAL PUBLIC

NO ACTION MAY BE TAKEN: At this time, the Board will hear general comments from the public on matters under the jurisdiction of the Southern Nevada Water Authority. Please limit your comments to three minutes or less and refrain from making comments that are repetitious, offensive, or amounting to personal attacks. No action may be taken upon a matter not listed on the posted agenda.

**SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING
MAY 16, 2013
MINUTES**

CALL TO ORDER 9:04 a.m., SNWA Board Chambers, Southern Nevada Water Authority
100 City Parkway, Seventh Floor, Las Vegas, Nevada

BOARD MEMBERS PRESENT Shari Buck, Chair
Mary Beth Scow, Vice Chair
Sam Bateman (Present for items 2-3, 7-8, 11-13)
Susan Brager
Bob Coffin
Duncan McCoy
Steve Sisolak

BOARD MEMBERS ABSENT None

STAFF PRESENT Pat Mulroy, Greg Walch, John Entsminger, Ron Zegers, Phil Speight, Marc
Jensen, Randall Buie

OTHERS PRESENT Guy Hobbs; Hobbs, Ong & Associates
Kathy Ong; Hobbs, Ong & Associates

Unless otherwise indicated, all members present voted in the affirmative.

COMMENTS BY THE GENERAL PUBLIC

Brian McAnallen, Las Vegas Metro Chamber of Commerce, addressed agenda item number seven and thanked the Board for considering the item. He noted that the item is necessary to preserve the groundwater rights, and noted the project's importance to Southern Nevada.

1. Approval of Agenda & Minutes

FINAL ACTION: A motion was made by Director Coffin to approve the agenda for this meeting and the minutes of the regular meeting of April 18, 2013. The motion was approved.

Agenda items 2-3 and 7-8 were considered out of order.

CONSENT AGENDA

4. ***For Possible Action:*** Approve an interlocal agreement among the City of Henderson, the City of Las Vegas, the City of North Las Vegas, Clark County, the Clark County Regional Flood Control District, the Clark County Water Reclamation District, and the Authority to establish funding allocations and the budget for Las Vegas Wash activities in fiscal year 2013/2014.
5. ***For Possible Action:*** Approve an interlocal agreement between the City of North Las Vegas and the Authority for the Authority to supply a portion of the City of North Las Vegas' power supply needs, including power supply assets, transmission assets and energy management services.
6. ***For Possible Action:*** Approve an amendment, in substantially the same form, to existing agreement, between the Bureau of Reclamation and the Authority to support the Authority's Water Smart Landscape Rebate Program.

FINAL ACTION: A motion was made by Director Sisolak to follow staff's recommendations. The motion was approved.

BUSINESS AGENDA

9. ***For Possible Action:*** Approve the Service Agreement for Network Integration Transmission Service, Retail Access Transmission Service among Nevada Power Company doing business as NV Energy, the Colorado River Commission of Nevada, and the Authority, and the corresponding Letter of Agreement formalizing the Authority's Transmission Reduction Plan.

FINAL ACTION: A motion was made by Director McCoy to follow staff's recommendation. The motion was approved.

10. ***For Possible Action:*** Authorize the General Manager to sign an interlocal agreement among the City of Las Vegas, the City of Henderson, the Clark County Water Reclamation District, and the Authority to correct a disproportionate allocation of certain quarter-cent sales tax revenues designated for wastewater by reallocating 96 months of distributions, or take other action as appropriate.

SNWA General Manager Pat Mulroy noted that this item relates to the percentage of the sales tax the SNWA receives that is earmarked for wastewater. The amount that the SNWA receives is unchanged, the item only reallocates the percentage among its wastewater purveyors. She noted that the affected wastewater agencies have already considered and approved the item.

FINAL ACTION: A motion was made by Director Coffin to follow staff's recommendation. The motion was approved.

11. ***For Possible Action:*** Adopt a resolution approving the issuance of Las Vegas Valley Water District refunding bonds in the maximum principal amount of \$382,000,000 to refinance outstanding bonds for the Authority.

Kathy Ong noted the opportunity to refund some of the SNWA's bonds at a current present value savings of \$2.2 million. The savings are dependent on prevailing market rate and noted their goal to achieve three percent savings. Director Sisolak asked if there would be a trigger put into place to refund the bonds if the savings was achieved. Ms. Mulroy noted that approval of this item would set the trigger at three percent or better savings, and Ms. Ong noted that if 2.9 percent was achieved and it didn't seem that the market would not permit additional savings, than staff would be consulted so there was not a savings opportunity missed.

FINAL ACTION: A motion was made by Director Sisolak to follow staff's recommendation. The motion was approved.

2. ***For Possible Action:*** Consider and approve an adjustment in the Wholesale Delivery Charge to \$303 per acre-foot for treated water and \$232 per acre-foot for untreated water, effective July 1, 2013, which was held from the meeting of April 18, 2013.

Ms. Mulroy gave a presentation to the Board about the Wholesale Delivery Charge. A copy of her presentation is included with these minutes. Director Sisolak asked how many additional increases are anticipated in the short-term future. Ms. Mulroy noted that one additional increase may be required next year if conditions warrant.

FINAL ACTION: A motion was made by Director Coffin to follow staff's recommendation. The motion was approved.

3. ***For Possible Action:*** Conduct a Public Hearing on the Tentative Budget for the Authority and subsequently adopt a Final Budget for fiscal year 2013/2014.

Ms. Mulroy gave a presentation to the Board about the SNWA's Tentative Budget. A copy of her presentation is included with these minutes. Director Sisolak asked what growth rate the SNWA used to model sales tax. Randall Buie, SNWA Comptroller, noted that a growth rate between 5-6 percent was used to estimate sales tax. Director Sisolak asked what the rate was that was considered by the Integrated Resource Planning Advisory Committee. Mr. Buie reported that 3.5 percent was used within the IRPAC discussions. Guy Hobbs, Hobbs, Ong & Associates, noted that the 3.5 percent was developed more than eight months ago. He also reminded the Board that the projection is subject to review by IRPAC before the committee finalizes their recommendations.

Director Sisolak noted that the SNWA's labor budget did not increase from last year's budget.

Chairman Buck opened the public hearing.

Brian McAnallen, Las Vegas Metro Chamber of Commerce, thanked staff's efforts for the analysis provided.

Chairman Buck closed the meeting.

FINAL ACTION: A motion was made by Vice Chair Scow to follow staff's recommendation. The motion was approved.

7. ***For Possible Action: Approve and authorize the General Manager, or her designee, to sign a right-of-way grant offered by the Bureau of Land Management for the construction, operation, and maintenance of the Clark, Lincoln, and White Pine Counties Groundwater Development Project on federal lands, and to pay rental fees for the rights-of-way to the federal government.***

John Entsminger noted that staff has been working for more than eight years to secure these rights-of-way and gave the Board a brief history of activities related to the Clark, Lincoln and White Pine Counties Groundwater Development Project. Director Coffin reiterated the need for the SNWA to be a steward for the resources within the project area.

Director McCoy recalled a recent meeting of the Colorado River Commission of Nevada, where a recent hydrology report revealed lower than anticipated flows into Lake Mead, which will ultimately reduce Lake Mead's elevations. He repeated Director Coffin's remark about environmental stewardship.

FINAL ACTION: A motion was made by Vice Chair Scow to follow staff's recommendation. The motion was approved.

8. ***For Possible Action: Approve a memorandum of understanding and cost recovery agreement between the Bureau of Land Management and the Authority for preparing the administrative record, environmental plans, tiered environmental compliance, and ancillary rights-of-way associated with the Clark, Lincoln, and White Pine Counties Groundwater Development Project for an amount not to exceed \$575,730.***

Mr. Entsminger noted that this agreement would allow the SNWA to continue to pursue the rights-of-way for the additional laterals needed to construct the project. He noted that without a cost recovery agreement with the Bureau of Land Management, who requires an agreement to ensure their work is being funded, then our applications would fall to the end in priority; it's essential that for work to continue, a formal funding agreement is made with the Bureau of Land Management.

Director Sisolak asked to clarify the cost amount as it relates to bond commitments. Ms. Mulroy confirmed that the agreement's amount of \$575,730 was sold and reserved, but not committed. By approving this agreement, the Board is being asked to commit the amount. Director Sisolak asked how much more is reserved, but not committed. Mr. Entsminger estimated the amount to be approximately \$2 million slated for groundwater permitting activities.

FINAL ACTION: A motion was made by Director Coffin to follow staff's recommendation. The motion was approved.

12. ***For Possible Action: Receive an update on the progress of the Integrated Resource Planning Advisory Committee (IRPAC), modify the composition of the Technical Review Committee, and direct the IRPAC to make suggestions on appointments to the Technical Review Committee in advance of Board action to appoint the Technical Review Committee.***

Ms. Mulroy recognized the Las Vegas Metro Chamber's efforts to work with staff to ensure this item is appropriately vetted. She went on to note that approval of this item would reconfigure the IRPAC rates technical committee and send it to IRPAC for recommendation of individuals to this committee. Ms. Mulroy noted that two external individuals would be named, along with IRPAC's representative recommendations, would be named at the next SNWA Board meeting.

FINAL ACTION: A motion was made by Vice Chair Scow to follow staff's recommendation. The motion was approved.

13. ***For Information Only: Receive an update from staff on water resources including, but not limited to, drought conditions in the Colorado River Basin, the results of the implementation of the Authority's Water Resource and Conservation Plans, activities on the Colorado River, the development of in-state water resources, and the status of the third intake project.***

Mr. Entsminger provided the Board with an update of drought conditions and local water use information. A copy of his presentation is included with these minutes.

Director Coffin asked staff to present an update to include hydrologic updates in the area of the SNWA's Clark, Lincoln and White Pine Counties Groundwater Development Project. Ms. Mulroy promised to do this, as well as include an update on cloud seeding activities.

Marc Jensen, Director of Engineering, gave an update of third intake activities. A copy of his presentation is included with these minutes. Mr. Jensen also displayed two cutterhead discs from the front of the Tunnel Boring Machine, one that was used and a new one for comparison purposes.

NO ACTION REQUIRED

Public Comment

Brian McAnallen, Las Vegas Metro Chamber of Commerce, addressed agenda item number 12 and thanked the Board's action on the item. He affirmed the IRPAC process, but noted that there is little experience within the committee with actual rate-making process. He noted the Technical Review Committee's intention to bring assurance to the recommendations set forth by IRPAC.

Howard Watts, Progressive Leadership Alliance of Nevada, noted conversations he has had with business and community leaders within the community who are concerned about rates, rate-planning and water use within the community. He would like to see an additional conservation representative on IRPAC and looks forward to the additional conversations on local water management activities.

Adjournment

There being no further business to come before the board, the meeting adjourned at 10:16 a.m.

APPROVED:

Shari Buck, Chair

Patricia Mulroy, General Manager

Copies of all original agenda items and minutes, including all attachments, are on file in the General Manager's office at the Las Vegas Valley Water District, 1001 South Valley View Boulevard, Las Vegas, Nevada.

SOUTHERN NEVADA WATER AUTHORITY

Wholesale Delivery Charge

May 16, 2013

Overview

The Wholesale Delivery Charge is used to pay for the day-to-day operating costs of the regional water system (Southern Nevada Water System).

These costs include:

- Operating expenses
- Energy
- Debt (related to the original 1971 facilities debt)
- Personnel

The Wholesale Delivery Charge does not fund new system expansion.

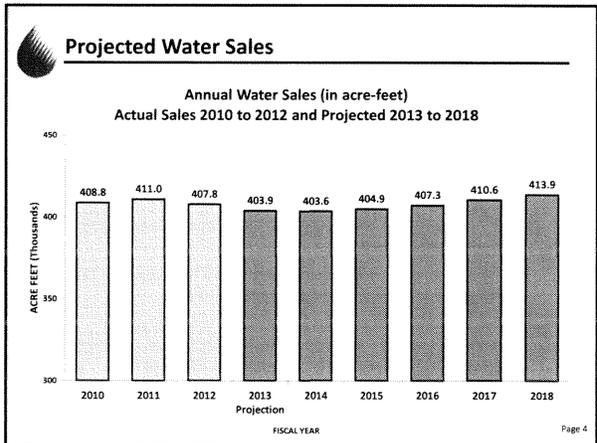
Page 2

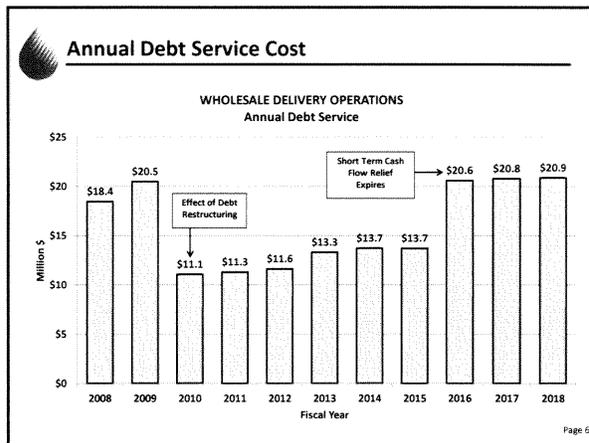
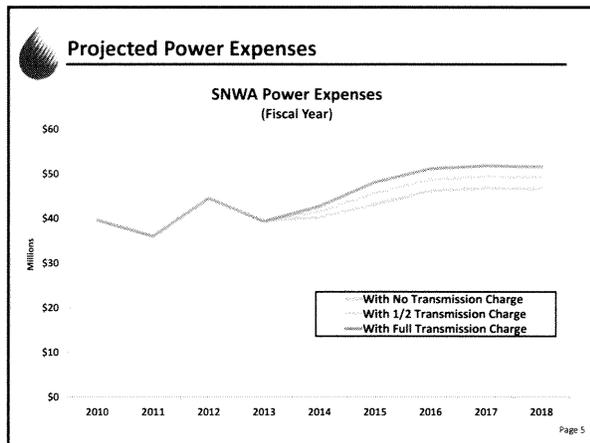
Costs Depend on Water Deliveries

Expenses within the Wholesale Delivery Charge fund are a function of:

- The amount of water that is treated and delivered
- Debt service associated with outstanding debt

Page 3



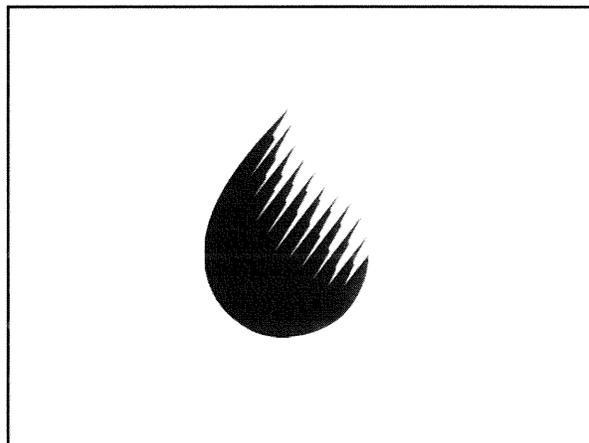


Wholesale Delivery Charge

The Wholesale Delivery Charge is agreed upon by SNWA and its purveyors.

- Each year, representatives from the retail purveyors (Henderson, North Las Vegas, Boulder City and LVVWD) meet with the SNWA to determine the appropriate level of the Wholesale Delivery Charge.
- In January 2013, the purveyors and SNWA agreed upon a \$10 per acre-foot modification.
- The agreed-upon charge is embedded within the budgets of the SNWA and each purveyor for fiscal year 2013/14.
- The Wholesale Delivery Charge is included in the purveyors' operating budgets -- unlike the Infrastructure Charge, Commodity Charge and Reliability Surcharge, which are shown on a customer's bill.

Page 7





Southern Nevada Water Authority

**2013/2014 Fiscal Year
Public Hearing**

 May 16, 2013



Fiscal Year 2013/2014 Budget Process

Key Dates

- April 15 – Tentative Fiscal Year 2013/2014 budget submitted to State
- April 18 – Budget Workshop
- May 16 – Public Hearing
- June 1 – Deadline to file approved Fiscal Year 2013/2014 budget with State



Fiscal Year 2013/2014 Budget Highlights

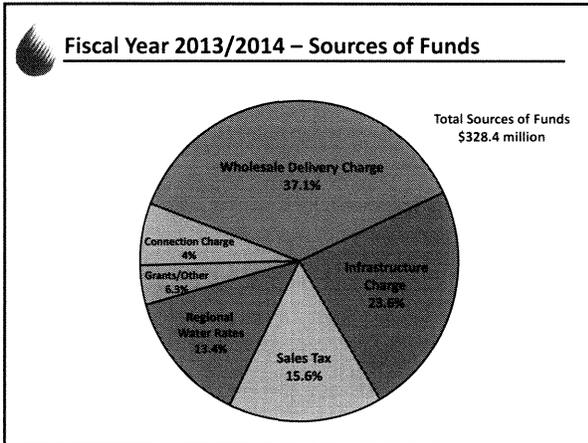
- Uses of funds are projected to decline \$45.1 million (9%)
- Sources of funds are projected to increase \$4.2 million (1.3%)
- Wholesale Delivery Charge is budgeted to increase \$10 per acre-foot (\$293 to \$303)
- Last year's budget did not include the fireline credit



Fiscal Year 2013/2014 – Sources of Funds

	Budget		Difference
	2012-2013	2013-2014	\$
Wholesale Delivery Charge	\$ 117.5	\$ 122.0	\$ 4.5
Regional Infrastructure Charge	92.9	77.4	(15.5)
Sales Tax	47.5	51.3	3.8
Regional Water Rates	45.5	44.0	(1.5)
Regional Connection Charge	12.0	13.1	1.1
Grants and All Other Sources	8.8	20.6	11.8
TOTAL SOURCES	\$324.2	\$328.4	\$4.2

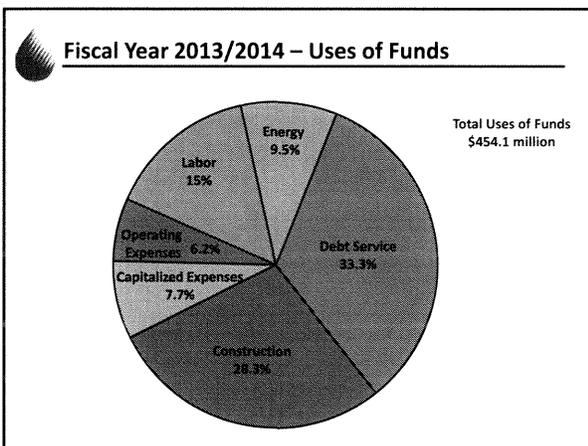
*Amounts in million dollars



Fiscal Year 2013/2014 – Uses of Funds

	Budget		Difference \$
	2012-2013	2013-2014	
Debt Service Payments	\$ 149.3	\$ 150.7	\$ 1.4
Construction Expenditures	176.5	127.7	(48.8)
Labor	68.6	68.6	(0.0)
Energy	42.5	44.3	1.8
Capitalized Expenses	35.3	34.9	(0.4)
Operating Expenses	27.0	27.9	0.9
TOTAL USES	\$499.2	\$454.1	(\$45.1)
Beginning Fund Balance		530.3	
Ending Fund Balance		<u>\$404.6</u>	

*Amounts in million dollars



- ### Wholesale Delivery Charge
- In May 2011, the SNWA Board approved a Wholesale Delivery Charge increase of \$10 per acre-foot (\$283 to \$293).
 - The factors driving a three-year increase of \$10 per year have changed:
 - Lower than expected debt costs for the Silverhawk Generating Station.
 - Refunding of SNWS debt softened the spike in FY 2012/2013.
 - Member agency staff recommended foregoing a FY 2012/2013 increase (the rate remained at \$293 per acre-foot).
 - In 2013, the charge is budgeted to increase \$10 per acre-foot (\$293 to \$303).

Wholesale Delivery Charge

	2012/2013 Budget	2013/2014 Budget	Difference \$
SOURCES OF FUNDS			
Wholesale Delivery Charge	\$ 117,498,863	\$ 121,958,169	\$ 4,459,306
Interest Income	63,684	48,480	(15,204)
Other Revenues	(29,588)	582,817	612,405
TOTAL SOURCES OF FUNDS	\$ 117,532,959	\$ 122,589,466	\$ 5,056,507
USES OF FUNDS			
Energy	\$ 39,311,358	\$ 41,484,548	\$ 2,173,190
Labor	35,630,802	36,487,968	857,166
Operating Expenses	24,744,329	25,744,060	999,731
Debt Service Payments	13,494,249	13,711,411	217,162
TOTAL USES OF FUNDS	\$ 113,180,738	\$ 117,427,987	\$ 4,247,249
TOTAL SOURCES IN EXCESS (LESS THAN) TOTAL USES	\$ 4,352,221	\$ 5,161,479	\$ 809,258
Beginning Fund Balance		19,500,000	
Ending Fund Balance		<u>\$ 24,661,479</u>	

New Expansion Debt Service

	2012/2013 Budget	2013/2014 Budget	Difference \$
SOURCES OF FUNDS			
Regional Connection Charge	\$ 12,033,087	\$ 13,142,254	\$ 1,109,167
Regional Infrastructure Charge	92,932,293	77,399,956	(15,532,337)
Regional Commodity Charge	40,797,784	39,257,838	(1,539,946)
Regional Reliability Surcharge	4,695,142	4,783,017	87,875
Interfund Loan	34,493,515	(3,468,216)	(37,961,731)
Sales Tax	44,449,482	47,953,191	3,503,709
Other Revenues	4,268,327	1,102,305	(3,166,022)
Grant Proceeds	-	504,500	504,500
Interest Income	791,588	660,455	(131,133)
TOTAL SOURCES OF FUNDS	\$ 234,461,218	\$ 181,335,300	\$ (53,125,918)
USES OF FUNDS			
Labor	\$ 21,269,923	\$ 22,445,831	\$ 1,175,908
Capitalized Expenses	7,579,920	10,307,762	2,727,842
Debt Service Payments	135,799,991	137,002,809	1,202,818
TOTAL USES OF FUNDS	\$ 164,649,834	\$ 169,756,402	\$ 5,106,568
TOTAL SOURCES IN EXCESS (LESS THAN) TOTAL USES	\$ 69,811,384	\$ 11,578,898	\$ (58,232,486)

New Expansion Debt Service

	2012/2013 Budget	2013/2014 Budget
TOTAL SOURCES OF FUNDS	\$ 234,461,218	\$ 181,335,300
TOTAL USES OF FUNDS	164,649,834	169,756,402
TOTAL SOURCES IN EXCESS (LESS THAN) TOTAL USES	\$ 69,811,384	\$ 11,578,898
Beginning Fund Balance		295,000,000
Ending Fund Balance		<u>\$ 306,578,898</u>

Major Construction and Capital Plan

	2012/2013 Budget	2013/2014 Budget	Difference \$
SOURCES OF FUNDS			
Debt Issuance Proceeds	\$ 360,000,000	\$ -	\$ (360,000,000)
Interest Income	899,536	327,901	(571,635)
Interfund Loan	(39,600,000)	-	39,600,000
Grant Proceeds	-	60,000	60,000
TOTAL SOURCES OF FUNDS	\$ 321,299,536	\$ 387,901	\$ (320,911,635)
USES OF FUNDS			
Labor	\$ 9,750,194	\$ 7,906,713	\$ (1,843,481)
Capitalized Expenses	27,834,826	24,620,909	(3,213,917)
Energy	3,156,536	2,833,787	(322,749)
Construction Expenditures	168,706,854	107,177,187	(61,529,667)
TOTAL USES OF FUNDS	\$ 209,448,410	\$ 142,538,596	\$ (66,909,814)
TOTAL SOURCES IN EXCESS (LESS THAN) TOTAL USES	\$ 111,851,126	\$ (142,150,695)	\$ (254,001,821)
Beginning Fund Balance		214,200,000	
Ending Fund Balance		<u>\$ 72,049,305</u>	

Groundwater Management Program

	2012/2013 Budget	2013/2014 Budget	Difference \$
SOURCES OF FUNDS			
Groundwater Management Fees	\$ 913,359	\$ 913,345	\$ (14)
Interest Income	6,306	5,285	(1,021)
TOTAL SOURCES OF FUNDS	\$ 919,665	\$ 918,630	\$ (1,035)
USES OF FUNDS			
Labor	\$ 380,825	\$ 465,562	\$ 84,737
Operating Expenses	784,150	793,658	9,508
TOTAL USES OF FUNDS	\$ 1,164,975	\$ 1,259,220	\$ 94,245
TOTAL SOURCES IN EXCESS (LESS THAN) TOTAL USES			
	\$ (245,310)	\$ (340,590)	\$ (95,280)
Beginning Fund Balance		1,400,000	
Ending Fund Balance		<u>1,059,410</u>	

Las Vegas Wash

	2012/2013 Budget	2013/2014 Budget	Difference \$
SOURCES OF FUNDS			
LV Wash Program Fees	\$ 827,931	\$ 1,175,803	\$ 347,872
Sales Tax	3,090,490	3,344,599	254,109
Interfund Loan	5,106,485	3,468,216	(1,638,269)
Interest Earnings	1,809	762	(1,047)
Grant Proceeds	1,099,750	15,206,600	14,106,850
TOTAL SOURCES OF FUNDS	\$ 10,126,465	\$ 23,195,980	\$ 13,069,515
USES OF FUNDS			
Labor	\$ 1,606,545	\$ 1,301,635	\$ (304,910)
Operating Expenses	1,463,354	1,329,202	(134,152)
Construction Expenditures	7,745,015	20,500,000	12,754,985
TOTAL USES OF FUNDS	\$ 10,814,914	\$ 23,130,837	\$ 12,315,923
TOTAL SOURCES IN EXCESS (LESS THAN) TOTAL USES			
	\$ (688,449)	\$ 65,143	\$ 753,592
Beginning Fund Balance		200,000	
Ending Fund Balance		<u>265,143</u>	

Fiscal Year 2013/2014 Summary

	Budget		Difference
	2012-2013	2013-2014	\$
SOURCES OF FUNDS			
Wholesale Delivery Charge	\$ 117.5	\$ 122.0	\$ 4.5
Regional Infrastructure Charge	92.9	77.4	(15.5)
Sales Tax	47.5	51.3	3.8
Regional Water Rates	45.5	44.0	(1.5)
Regional Connection Charge	12.0	13.1	1.1
Grants/Other Sources	8.8	20.6	11.8
Total Sources of Funds	\$ 324.2	\$ 328.4	\$ 4.2
USES OF FUNDS			
Debt Service Payments	\$ 149.3	\$ 150.7	\$ 1.4
Construction Expenditures	176.5	127.7	(48.8)
Labor	68.6	68.6	(0.0)
Energy	42.5	44.3	1.8
Capitalized Expenses	35.3	34.9	(0.4)
Operating Expenses	27.0	27.9	0.9
Total Uses of Funds	\$ 499.2	\$ 454.1	\$ (45.1)

*Amounts in million dollars

Fiscal Year 2013/2014 Summary

	Budget		Difference
	2012-2013	2013-2014	\$
Total Sources of Funds	\$ 324.2	\$ 328.4	\$ 4.2
Total Uses of Funds	499.2	454.1	(45.1)
Total Sources in Excess of (Less Than) Total Uses	\$ (175.0)	\$ (125.7)	\$ 49.3
Beginning Fund Balance		530.3	
Ending Fund Balance		<u>\$404.6</u>	

*Amounts in million dollars

Ranches



Overview

In 2006 and 2007, the SNWA purchased seven properties in Spring Valley to support in-state groundwater development activities.

- The properties provide valuable water rights as a tool for environmental resource management activities.
- The properties were acquired in support of the proposed Clark, Lincoln and White Pine Counties Groundwater Development Project.
- The land, water, infrastructure and livestock assets associated with the properties will be used to avoid, minimize and mitigate potential impacts from groundwater development.
- The Huntsman property is the only property paid for with bond proceeds (\$8 million).



Ranch Assets

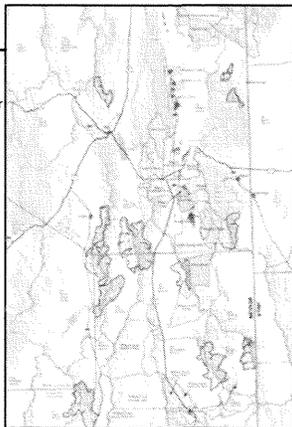
Water Rights: ~65,700 AFY
 7,200 AFY groundwater
 23,800 AFY supplemental groundwater
 34,700 AFY surface water

Land: ~956,500 acres
 23,500 acres deeded property
 933,000 acres grazing permits

Livestock: 6,248 head*
 1,342 Cattle
 4,844 Sheep
 34 Goats
 28 Horses

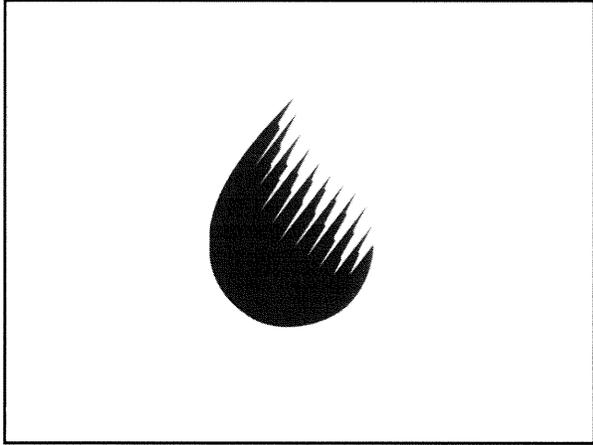
Agriculture: ~6,100 acres
 2,100 acres Alfalfa/Hay Production
 4,000+ acres Sub-irrigated Meadows and Wetlands

*As of 3/1/13



Ranch Financial Summary

	2013 <u>Budget</u>	2013 <u>Projected</u>
Revenue	2,188,290	2,345,971
Expenses	1,553,177	1,553,177
Cost of Goods Sold	500,000	513,726
Net Income	135,113	279,068
Huntsman Debt Service		(190,400)



SOUTHERN NEVADA WATER AUTHORITY

Update on Drought Conditions and Water Use

May 16, 2013

Drought Monitor

Intensity

- D0 Abnormally Dry
- D1 Drought - Moderate
- D2 Drought - Severe
- D3 Drought - Extreme
- D4 Drought - Exceptional

Drought Impact Guide:

- D0: Creates some water stress
- D1: Causes some crop stress
- D2: Causes some pasture stress
- D3: Causes some livestock stress
- D4: Causes some mortality

Released Thursday, May 2, 2013
 Author: Eric Luebbehusen, U.S. Department of Agriculture
<http://droughtmonitor.unl.edu/>

Seasonal Drought Outlook

(Valid May - July, 2013)

KEY:

- Drought to persist or intensify
- Drought ongoing, some improvement
- Drought likely to improve, impacts ease
- Drought development likely
- No Drought
- Poised/Predicted

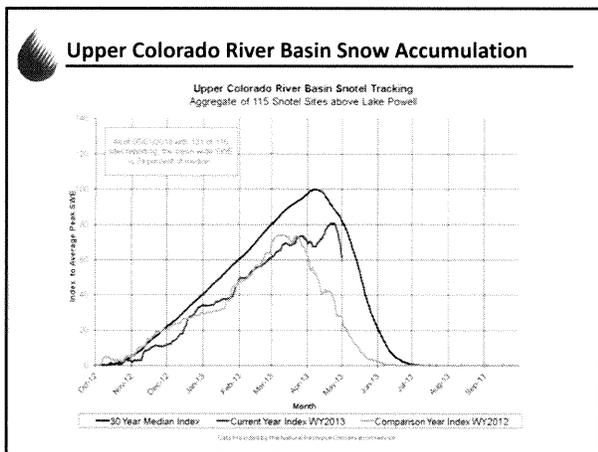
Source: National Oceanic Atmospheric Administration and the U.S. Department of Commerce

Colorado River Basin Conditions

Seasonal Precipitation, October 2012 - April 2013

- April inflow to Lake Powell: 33% of average
- Snow pack: 77% of average
- Water Year 2013 Precipitation: 80% of average
- Forecasted Water Year 2013 Inflow to Lake Powell: 45% of average

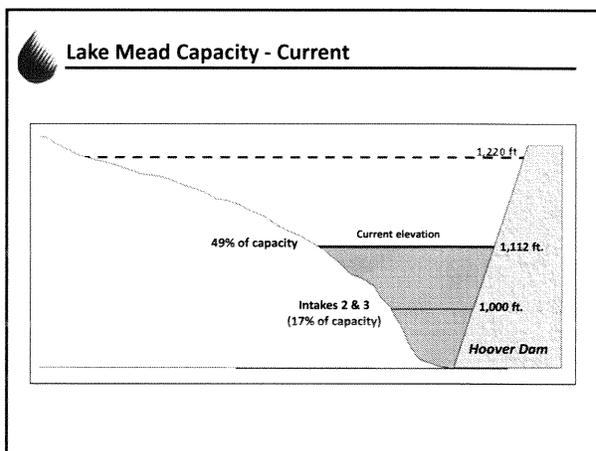
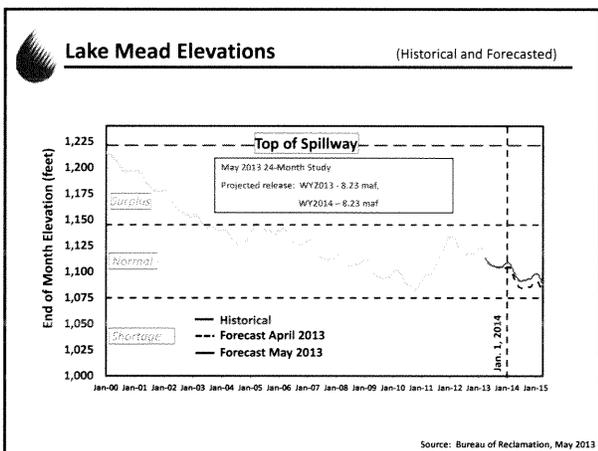
Source: U.S. Department of the Interior, Bureau of Reclamation

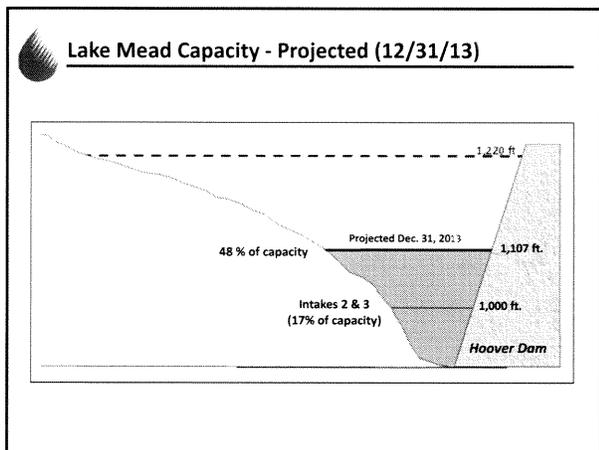


Precipitation and Inflow Forecast – Lake Powell

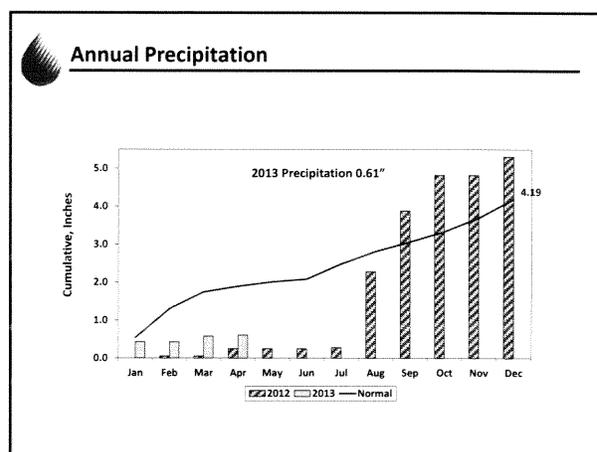
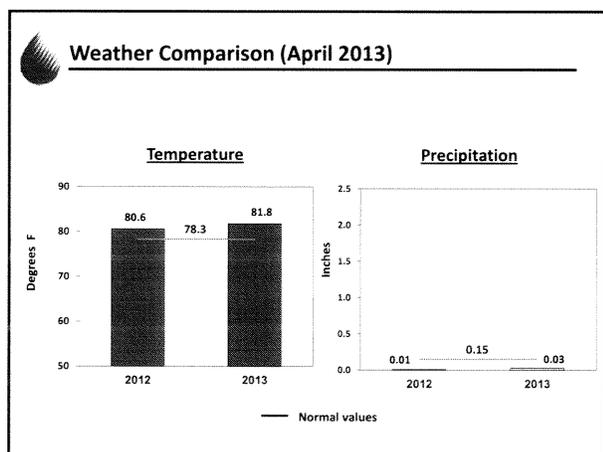
2012 Water Year			2013 Water Year	
Month	Actual Precipitation	Inflows Forecast	Actual Precipitation	Inflows Forecast
Jan	75%	79%	72%	61%
Feb	84%	78%	78%	54%
Mar	86%	80%	76%	49%
Apr	78%	63%	78%	42%
May	74%	51%	80%	45%
Jun	71%	47%		
Jul	71%	46%		
Aug	74%	48%		
Sept	74%	46%		
Actual	74%	45%		

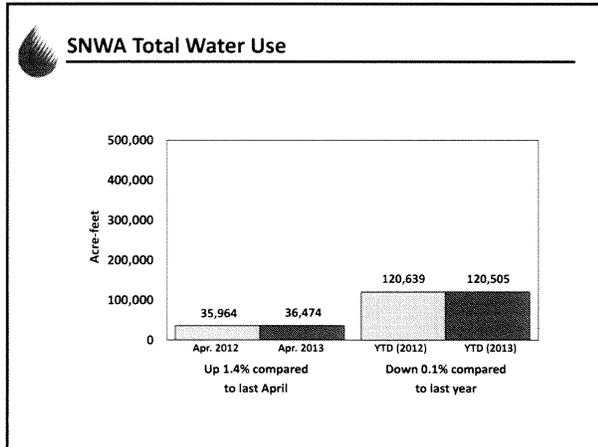
Source: Bureau of Reclamation, Lower Colorado Water Supply Reports



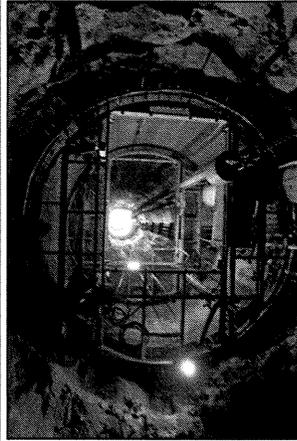


SNWA Water Use





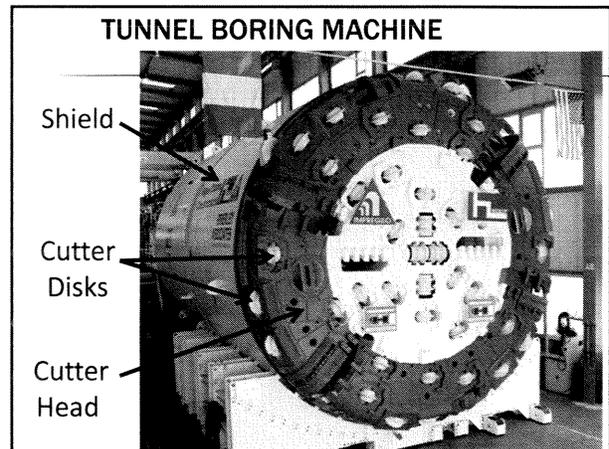
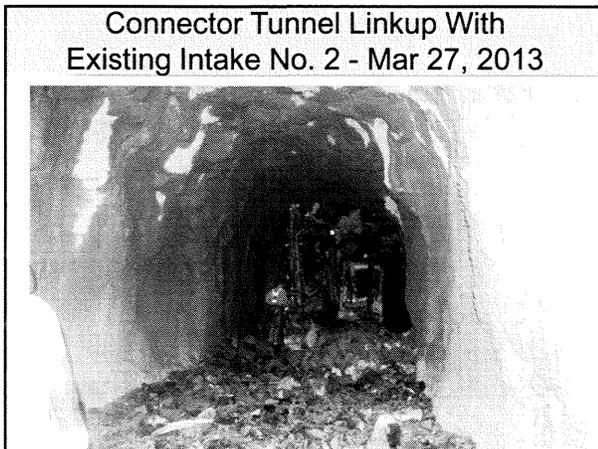
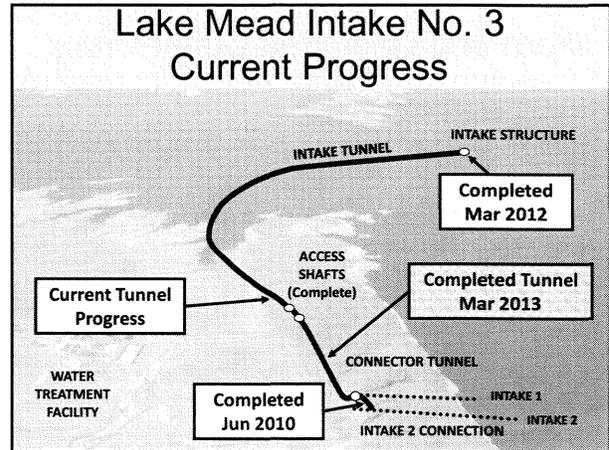
Questions?



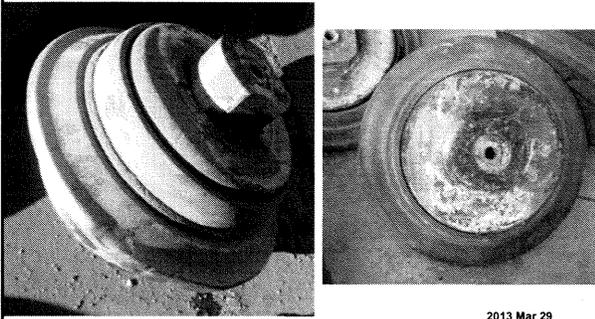
**LAKE MEAD
INTAKE NO. 3**

SNWA Board of Directors
Progress Report

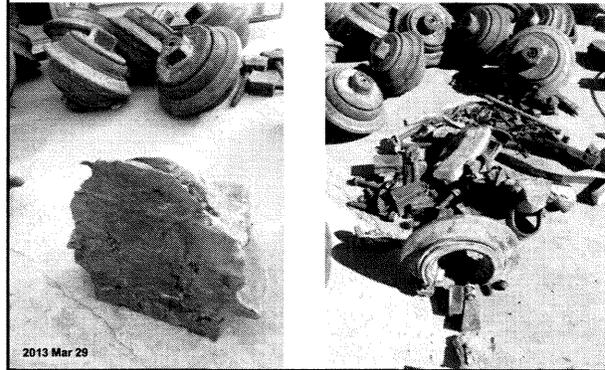
16 May 2013



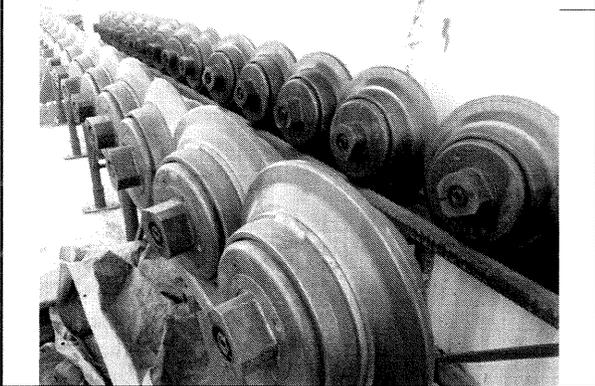
Worn and Damaged Cutter Disks



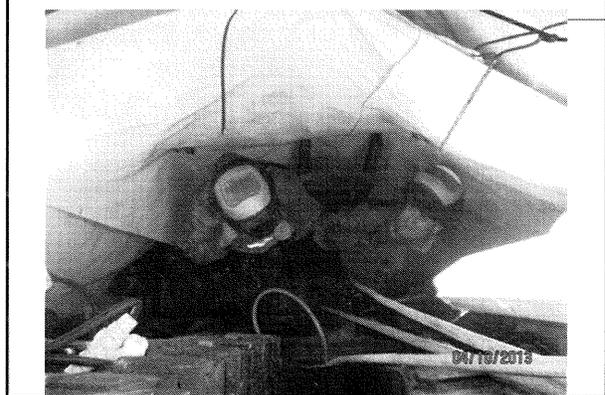
Irreparable Cutter Disks



Refurbished Cutter Disks



Working Niche In Front of TBM



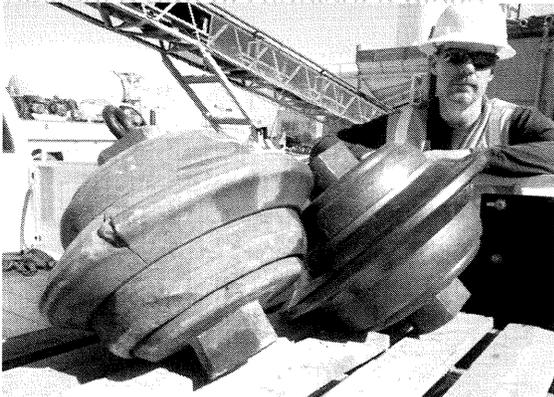
**Welding Box for Cutter No. 9
Into Cutter Head**



VIDEO OF CUTTER HEAD REPAIR

APRIL 18, 2013

DAMAGED AND REFURBISHED DISKS



**SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM**

June 27, 2013

Subject: SNWA Youth Advisory Council	Director's Backup
Petitioner: Patricia Mulroy, General Manager	
Recommendations: That the Board of Directors receive a presentation from the SNWA Youth Advisory Council and direct staff accordingly.	

Fiscal Impact:

None by approval of the above recommendation.

Background:

In 1999, the Authority's first Youth Advisory Council (YAC) was formed at the request of the Board of Directors. Now in its 14th year, the YAC provides a forum for Clark County high school juniors and seniors to participate in the planning, policy development, and evaluation of water issues affecting southern Nevada. As part of the program, students are asked to think critically and present recommendations to the Board regarding local and regional water issues and topics.

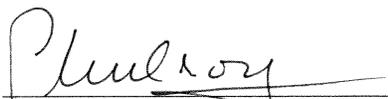
The 2012-2013 YAC is working to create a regional youth committee comprised of high school students across the Colorado River basin, using a model similar to the Authority's youth committee. The YAC plans to make a presentation at this year's Colorado River Water Users Association (CRWUA) conference that is attended by principal water managers from all seven Colorado River basin states. Held in Las Vegas in December, the conference will provide YAC students valuable networking opportunities with water professionals. It is YAC's intention to build upon these relationships and reach out to high school students in other states, and begin laying the foundation for a basin-wide youth forum to discuss the issues affecting our shared water resource.

Ultimately, it is YAC's goal to create a student committee within CRWUA that will meet annually, discuss opportunities to prepare the next generation of water resource managers, and determine how high school students can be a part of resolving water issues today.

At this time, the Board is being asked to receive a presentation from the 2012-2013 YAC and to direct staff accordingly.

This action is authorized pursuant to Sections 6(p) and 21(5) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved this item.

Respectfully submitted:



Patricia Mulroy, General Manager
PM:JJE:PDS:JAW:AJF:CM

AGENDA ITEM #

2

**SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM**

June 27, 2013

Subject: Technical Review Committee Appointments	Director's Backup
Petitioner: John J. Entsminger, Senior Deputy General Manager	
Recommendations: That the Board of Directors make appointments to the Technical Review Committee.	

Fiscal Impact:

None by approval of the above recommendation.

Background:

On April 19, 2012, the Board of Directors established the Integrated Resource Planning Advisory Committee (IRPAC) to consider the interrelated aspects of the water issues affecting Southern Nevada and develop formal recommendations for Board consideration. Since June 2012, the IRPAC has met 13 times and has made significant progress in developing recommendations for meeting future funding requirements.

On April 18, 2013, the Board approved the creation of a Technical Review Committee (TRC) to review and verify the rate data and model output being forwarded to IRPAC. On May 16, 2013, the Board modified the makeup of the TRC to consist of four members from the business or academic communities with qualifying credentials or experience in economics and public and/or business finance, and one member with experience with public water utilities and rate making design, who may be an employee or a retired professional from a non-Nevada comparably-sized utility.

On June 24, 2013, the IRPAC discussed membership of the TRC and made recommendations for the Board's consideration.

This action is authorized pursuant to NRS 277.110 and Sections 6(c) and 6(p) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved this agenda item.

Respectfully submitted:


Patricia Mulroy, General Manager
PM:JJE:PDS:JAW:AMB:LS:KH

AGENDA
ITEM #

3