



SOUTHERN NEVADA WATER AUTHORITY

1001 South Valley View Boulevard • Las Vegas, NV 89153
(702) 258-3939 • snwa.com

MR. OFFICIAL OFFICE COPY RECEIVED 5/13/08		
REPLY DTG:		
DATE	INITIALS	CODE
		B.C.00-1000
5/16/08	Rmt	4220
5/19/08	Wm	4223
6/17	W	4226
CLASSIFICATION		
PROJECT		
CONTROL NO		
POLDER ID		
KEYWORD		

cy: 6000
4A0-1000
1000

May 12, 2008

Lorri Gray, Regional Director
U.S. Department of the Interior
Bureau of Reclamation
PO Box 61470
Boulder City, Nevada 89006

**Re: Metropolitan Water District of Southern California and Central Arizona
Water Conservation District Elections to Participate in the Drop 2 Funding
Agreement**

Dear Ms. Gray:

The Southern Nevada Water Authority (SNWA) has received executed copies of the Election to Participate in the Drop 2 Funding Agreement from the Metropolitan Water District of Southern California (MET) and the Central Arizona Water Conservation District (CAWCD). Copies of the documents are enclosed. In addition, both MET and CAWCD deposited their payments of \$28,666,667 with the SNWA on May 2, 2008.

Please feel free to contact me at (702) 875-7080 if you have any questions.

Sincerely,

John J. Entsminger
Deputy General Counsel

Enclosures

cc: William Hasencamp, Metropolitan Water District of Southern California
Thomas McCann, Central Arizona Water Conservation District

Notice of Election to Participate

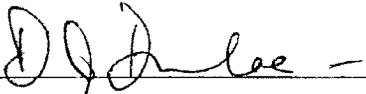
1. Pursuant to Section 8.1 of the *AGREEMENT AMONG THE UNITED STATES OF AMERICA, THROUGH THE DEPARTMENT OF THE INTERIOR, BUREAU OF RECLAMATION; THE COLORADO RIVER COMMISSION OF NEVADA; AND THE SOUTHERN NEVADA WATER AUTHORITY FOR THE FUNDING AND CONSTRUCTION OF THE LOWER COLORADO RIVER DROP 2 STORAGE RESERVOIR PROJECT* dated December 13, 2007 ("Drop 2 Funding Agreement"), the Central Arizona Water Conservation District (CAWCD) does by the execution of this Notice of Election to Participate elect to become a Party to the Drop 2 Funding Agreement.

2. By electing to become a Party to the Drop 2 Funding Agreement, CAWCD specifically agrees to transfer \$28,666,667 to an account designated by the Southern Nevada Water Authority by the date determined by the operation of Section 8.2 of the Drop 2 Funding Agreement.

3. Pursuant to Section 8.3 of the Drop 2 Funding Agreement, the Bureau of Reclamation will credit 100,000 acre-feet of System Efficiency ICS to CAWCD's ICS Account upon transfer of the \$28,666,667 to the Southern Nevada Water Authority and reduce the amount of System Efficiency ICS in the Southern Nevada Water Authority's ICS Account by 100,000 acre-feet.

4. By electing to become a Party to the Drop 2 Funding Agreement, CAWCD hereby becomes bound to all terms and conditions contained in the Drop 2 Funding Agreement in the same manner and to the same extent as each of the original Parties is bound.

5. CAWCD will provide fully executed duplicate originals of this Notice of Election to Participate to each of the Parties to the Drop 2 Funding Agreement and any other potential Elector.

By: 
Secretary

By: 
President

Date: 1/3/08

Notice of Election to Participate

1. Pursuant to Section 8.1 of the *AGREEMENT AMONG THE UNITED STATES OF AMERICA, THROUGH THE DEPARTMENT OF THE INTERIOR, BUREAU OF RECLAMATION; THE COLORADO RIVER COMMISSION OF NEVADA; AND THE SOUTHERN NEVADA WATER AUTHORITY FOR THE FUNDING AND CONSTRUCTION OF THE LOWER COLORADO RIVER DROP 2 STORAGE RESERVOIR PROJECT* dated December 13, 2007 ("Drop 2 Funding Agreement"), the Metropolitan Water District of Southern California (Metropolitan) does by the execution of this Notice of Election to Participate elect to become a Party to the Drop 2 Funding Agreement.
2. By electing to become a Party to the Drop 2 Funding Agreement, Metropolitan specifically agrees to transfer \$28,666,667 to an account designated by the Southern Nevada Water Authority by the date determined by the operation of Section 8.2 of the Drop 2 Funding Agreement.
3. Pursuant to Section 8.3 of the Drop 2 Funding Agreement, the Bureau of Reclamation will credit 100,000 acre-feet of System Efficiency ICS to Metropolitan's ICS Account upon transfer of the \$28,666,667 to the Southern Nevada Water Authority and reduce the amount of System Efficiency ICS in the Southern Nevada Water Authority's ICS Account by 100,000 acre-feet.
4. By electing to become a Party to the Drop 2 Funding Agreement, Metropolitan hereby becomes bound to all terms and conditions contained in the Drop 2 Funding Agreement in the same manner and to the same extent as each of the original Parties is bound.
5. Metropolitan will provide fully executed duplicate originals of this Notice of Election to Participate to each of the Parties to the Drop 2 Funding Agreement and any other potential Elector.

APPROVED AS TO FORM:

THE METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA

By: 
Karen L. Tachiki
General Counsel

By: 
Jeffrey Kightlinger
General Manager

Date: 4/19/08

Date: 4/22/08