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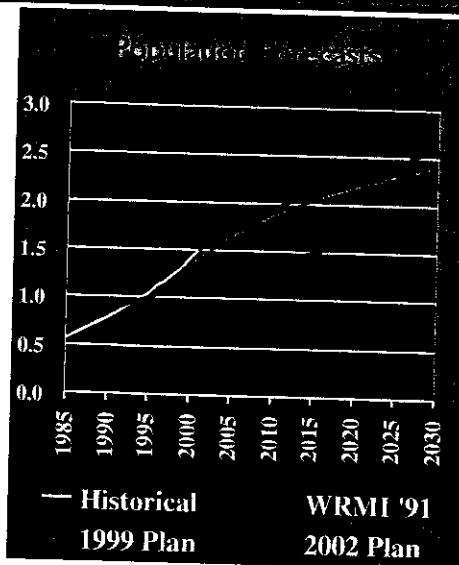
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| 10 | ORIGINALS ON FILE IN THE RESEARCH LIBRARY ASSEMBLY GOVERNMENT AFFAIRS DATE: <u>4/21/03</u> ROOM: <u>3143</u> EXHIBIT <u>C</u> SUBMITTED BY: <u>PATRICIA MULROY</u> <u>PAGE 1 of 19</u> |

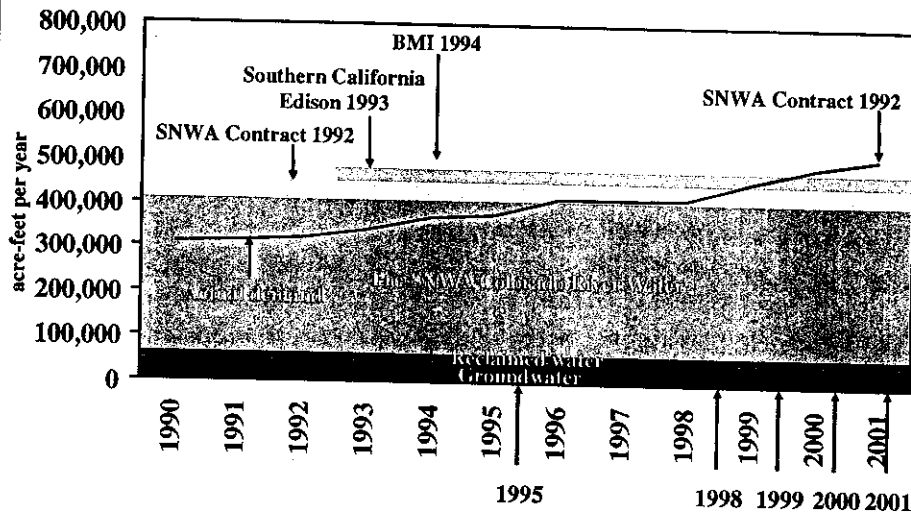
Water Resource Plan

- Amended in 2002
- Increased demand and population growth
- Revised diversions based on return flow credits
- Water resource updates
 - Interim Surplus
 - Arizona Banking
 - Clark County - Groundwater
 - Muddy River

Resource Planning



Historical Water Demands and Resources

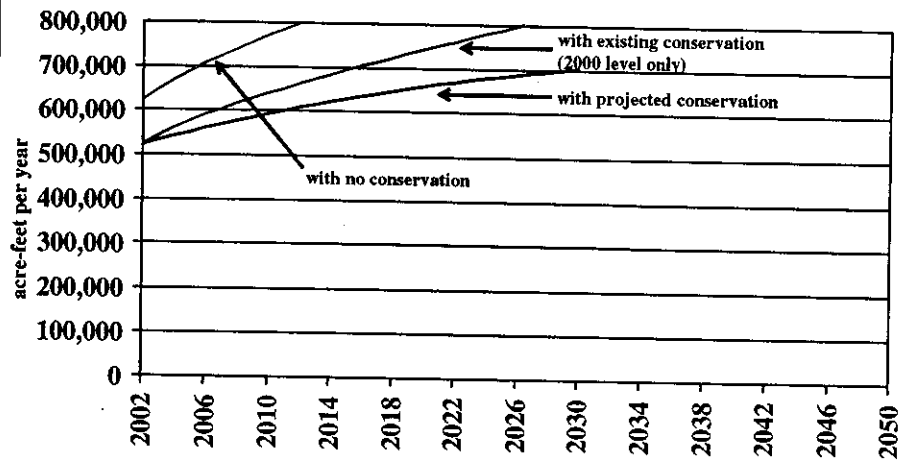


Lead Time Water Resources vs. Facilities

Influenced by:

- Various Federal Agencies
- Other State Agencies and Entities
- Weather/Hydrology

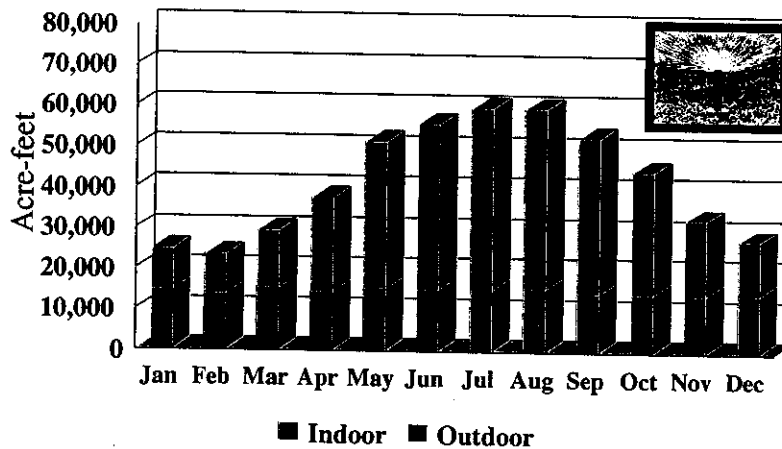
SNWA Purveyor Demands



* Includes potable and non-potable demands.

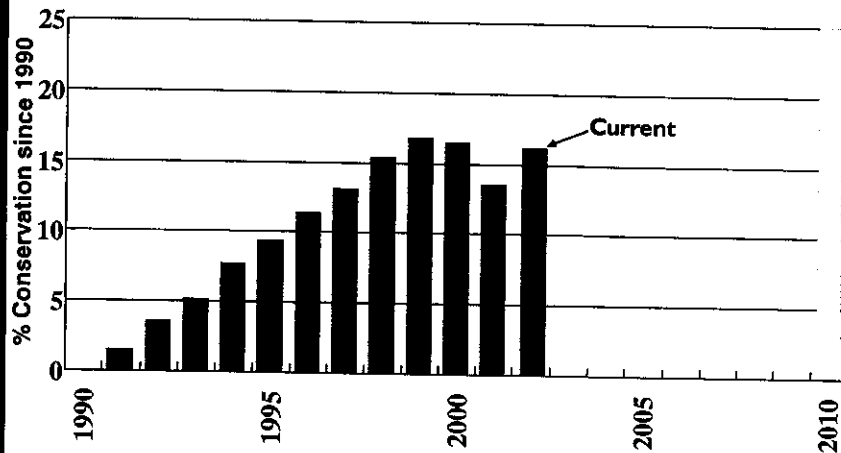
Indoor and Outdoor Water Use

Estimates based on 2001

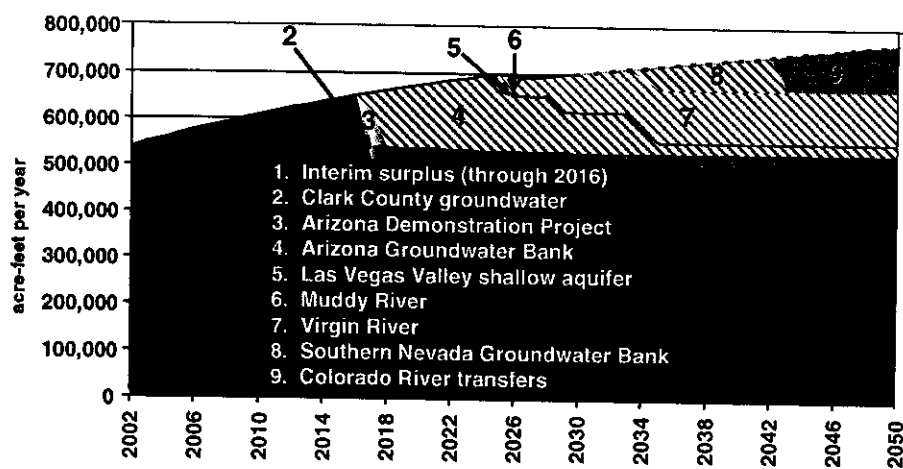


Conservation Achieved

Goal of 25% by year 2010



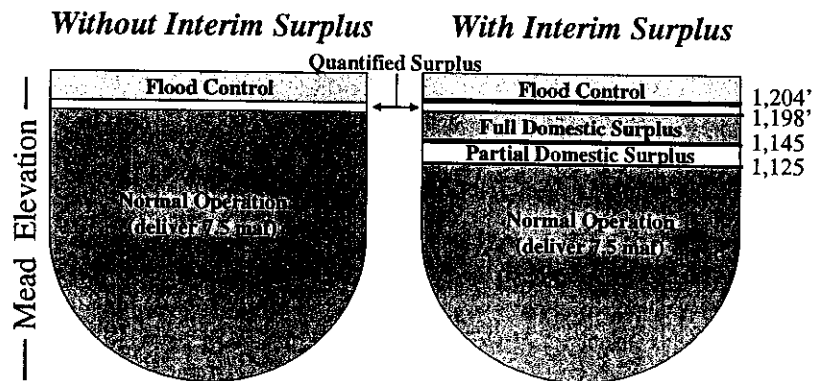
Priority of Next Water Resources



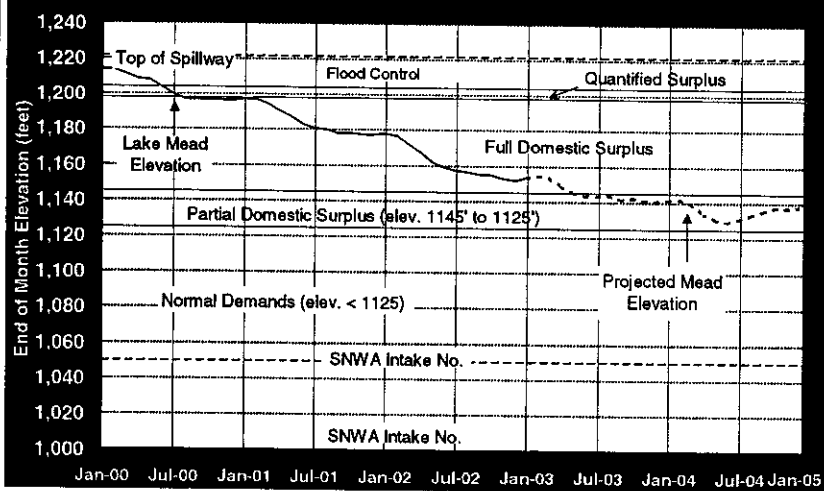
* Unused Colorado River apportionment and surplus as available.

Interim Surplus Guidelines

Lake Mead Elevation vs. Reservoir Operating Levels

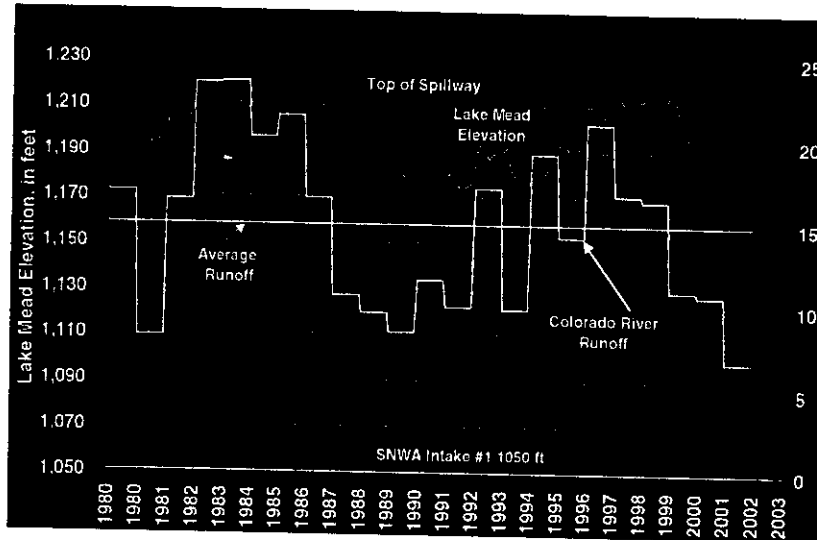


Historical and Forecast Lake Mead Elevation



Source: Bureau of Reclamation, January 2003.

Historical Lake Mead Elevations



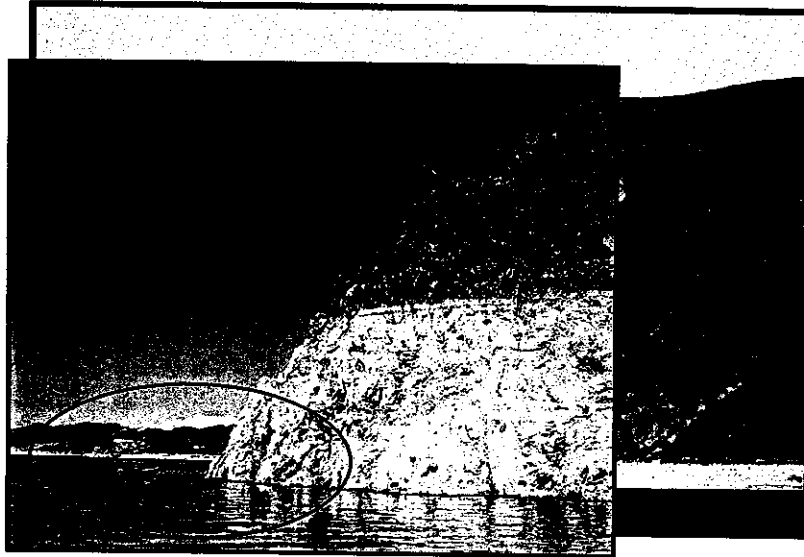
Lake Mead



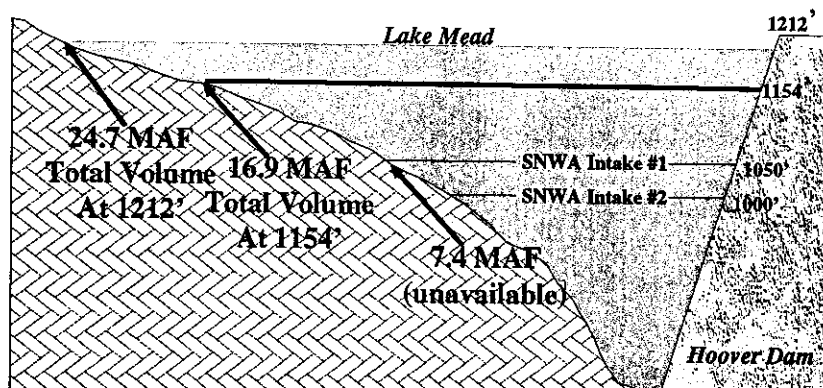
September 1998

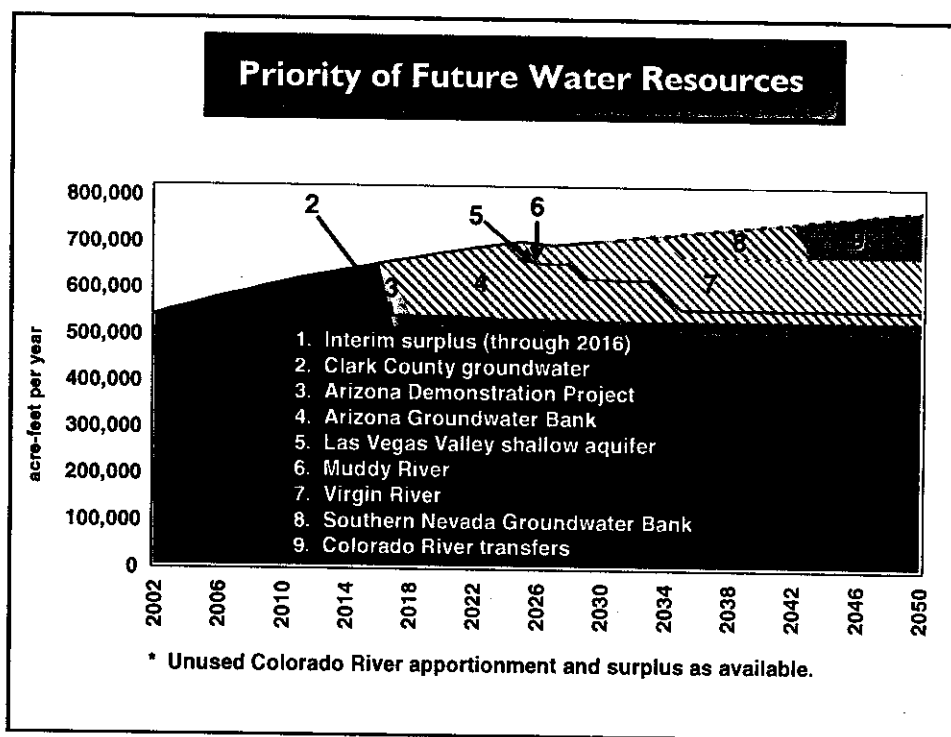
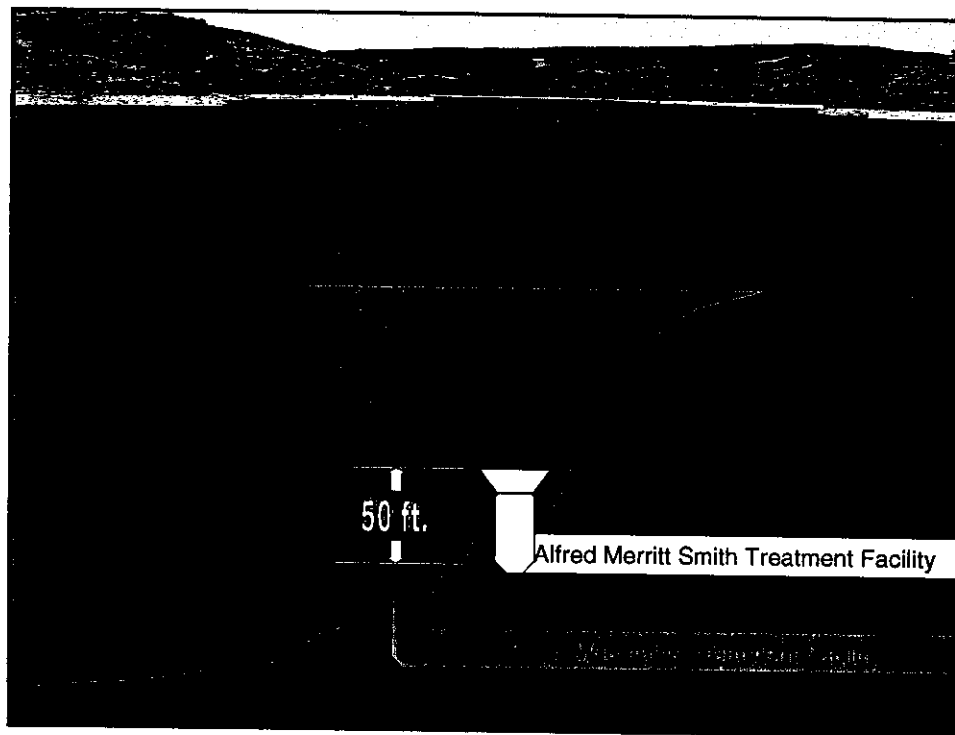
Elevation: 1,215 ft.

Lake Mead



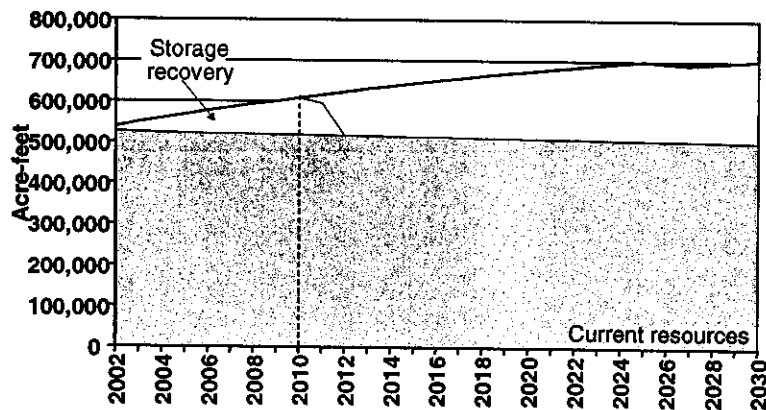
SNWA Intakes



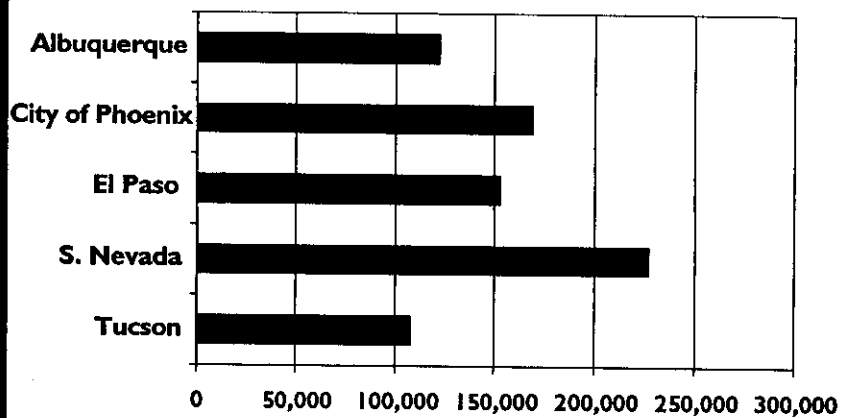


Water Demand and Resource Scenario

Achieve 2010 Conservation Goal

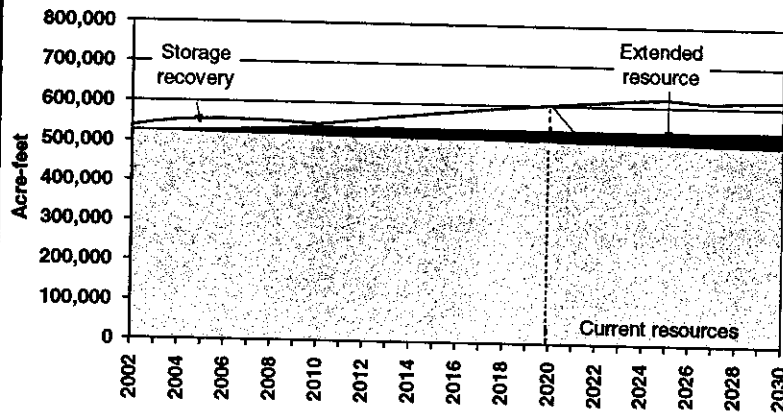


Residential Water Use



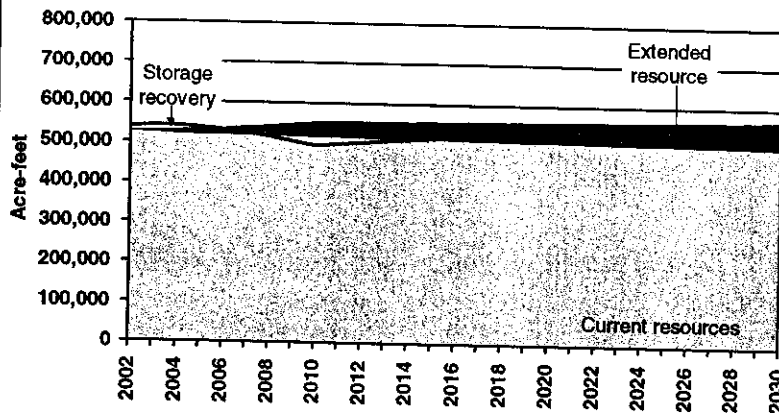
Water Demand and Resource Scenario

Use Water Like Phoenix



Water Demand and Resource Scenario

Use Water Like Tucson

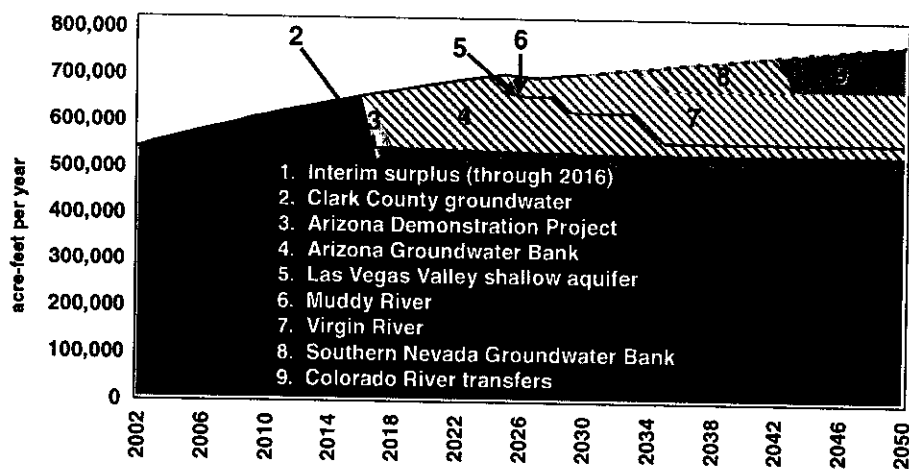


Conservation

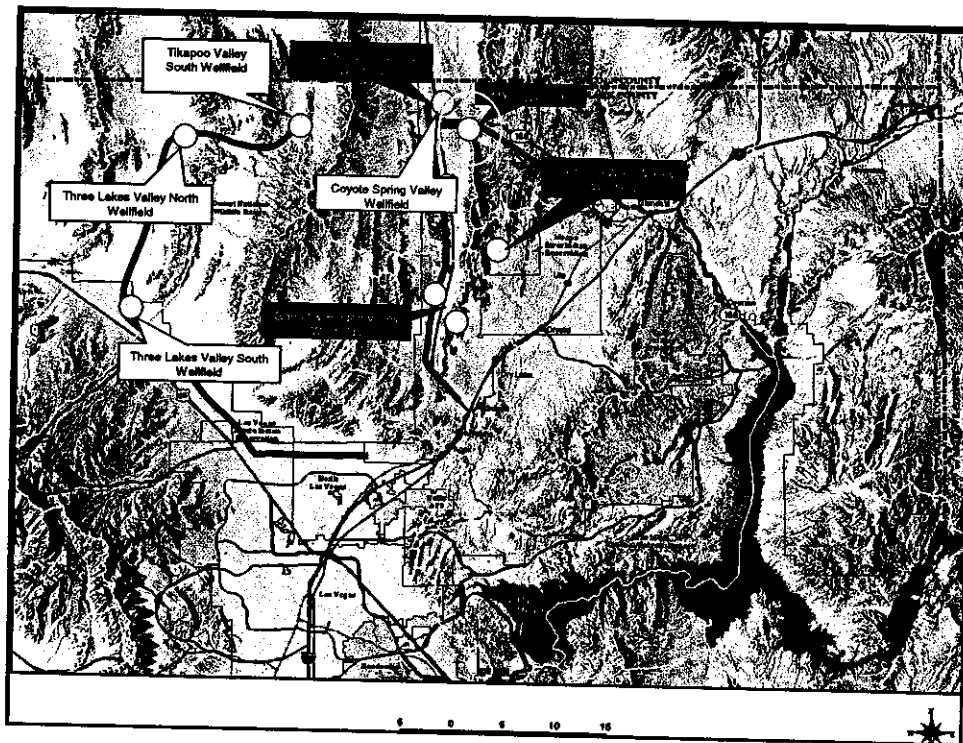
Water conservation is
– and must continue to be –
a priority for Southern
Nevada.



Priority of Future Water Resources



* Unused Colorado River apportionment and surplus as available.



Cooperative Water Project

- In October 1989, the Water District filed applications to appropriate groundwater in eastern and central Nevada, known as the Cooperative Water Project
- Lincoln County subsequently filed protests with the Nevada State Engineer against some of the District's groundwater applications
- Subsequent to the District's filing, Lincoln County filed applications under its Master Plan to appropriate groundwater from many of the same hydrographic basins

Lincoln County – SNWA – LVVWD Agreement

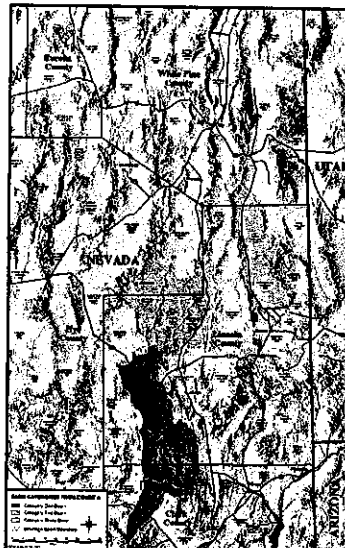
Divides all pending Cooperative Water Project applications within Lincoln County into three categories based upon the basin in which each is located:

Category One - applications to which the LVVWD retains all right and title

Category Two - applications that will be assigned by the LVVWD to Lincoln County

Category Three - applications to which the LVVWD will retain all right and title with exceptions

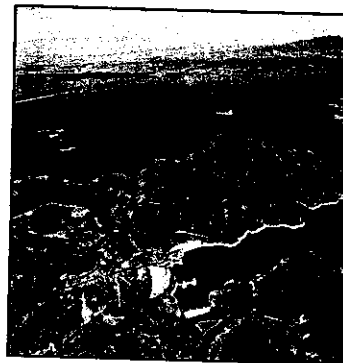
Lincoln County Groundwater Basins



Category Three Exceptions

- Lincoln County will receive the first 3,000 afy of permits granted to LVVWD/SNWA under Category Three applications
- Lincoln will receive 15% of any permits granted LVVWD/SNWA under Category Three applications in excess of 30,000 afy total (excludes Spring Valley)
- Lincoln may lease water on a temporary basis from the LVVWD/SNWA through 2030
- Lincoln is responsible for providing water to the "basin of origin" from the water rights permanently assigned to it

Interstate Banking in Arizona



Interstate Banking in Arizona

- Acquired 50,000 acre-feet of credits under Arizona Demonstration Project in 1992
- State to State Agreement and related agreements approved in 2001 and 2002 to allow Nevada to store up to 1.2 million acre-feet in Arizona
- Acquired 66,000 acre-feet of credits during 2002

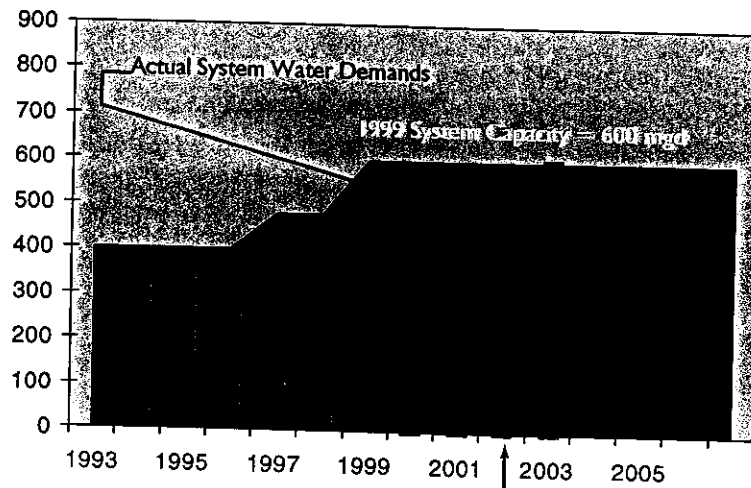


Las Vegas Valley Shallow Aquifer

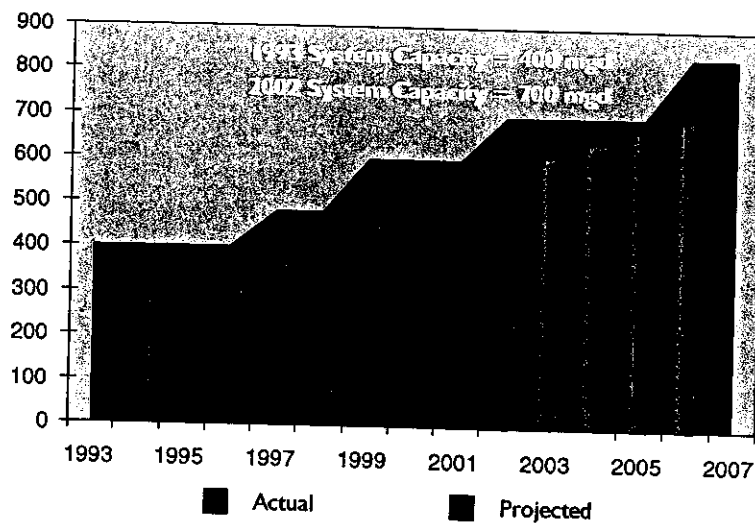
Currently not economical to develop; potential to develop economically by 2025



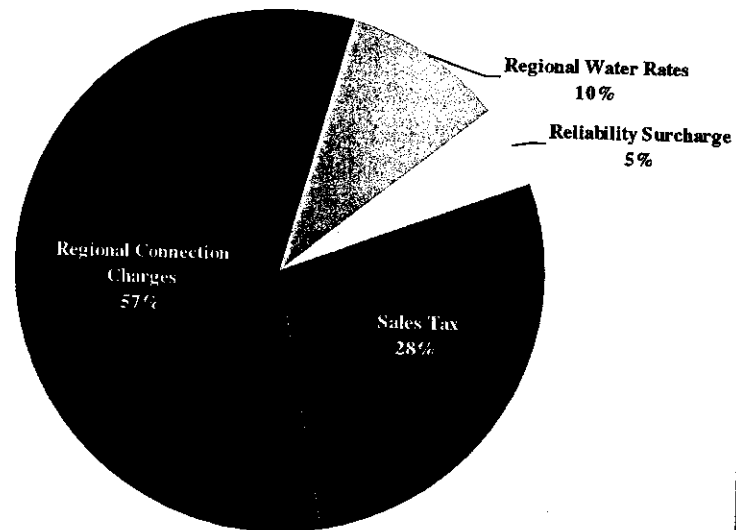
Just-in-Time Facilities



Just-in-Time Facilities

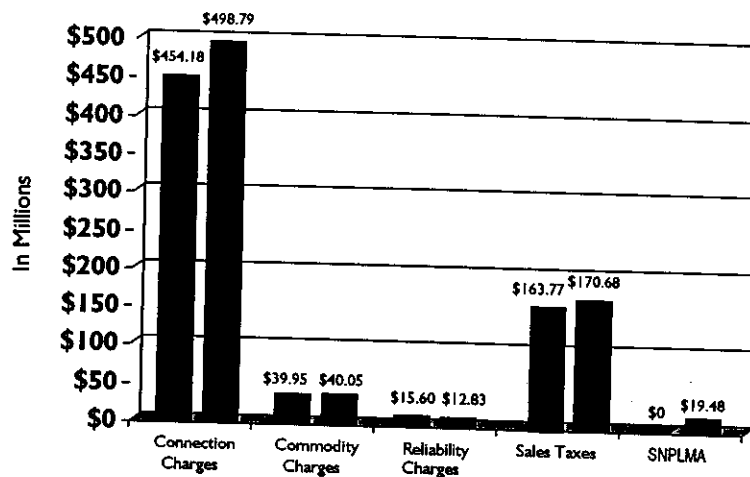


Capital Improvements Funding Plan



New Expansion Revenues

Cumulative September 2002
1997 Model Forecast vs Actual



1997 Forecast Model Actual

Interest Rate on Debt

| | |
|---|-----------------------|
| 1997 Model Weighted Average Debt Interest Rate | 5.66% |
| Current Weighted Average Debt Interest Rate | 4.74% |
| Variance | <u>0.92%</u> |
| Projected Debt Service | \$350 Million Savings |

*SNWA has cash reserves to pay debt service for at least two years.
SNWA currently holds a AA- bond rating.*

Sales Tax Update

- 1/4 Penny Sales Tax approved by 72% of the voters in 1998
- State began collecting the tax in April 1999
- As of January 2003:
 - Total Amount Received: (\$200 Million)
 - SNWA CIP (\$151 Million)
 - Wastewater Agencies (\$33 Million)
 - Las Vegas Wash (\$8 Million)
 - Rural Clark County (\$8 Million)
- Sales Tax sunsets in 2025 or at \$2.3 Billion