



NOTICE TO STATE WATER PROJECT CONTRACTORS

NUMBER: 07-05

DATE: APR 26 2007

SUBJECT: Thirty Sixth
Supplemental Resolution

FROM:

A handwritten signature in black ink, appearing to read "Robert B. Cooke", is written over the "FROM:" label.

DEPUTY DIRECTOR, DEPARTMENT OF WATER RESOURCES

To All State Water Project Contractors:

On April 25, 2007, the California Department of Water Resources (DWR) adopted the "Thirty-Sixth Supplemental Resolution Amending the Thirty-Third Supplemental Resolution Determining and Designating Certain Monies as Revenues Under the Central Valley Project Water System Revenue Bonds, General Bond Resolution" (Supplemental Resolution), attached hereto. Public Notice of the contents of the Supplemental Resolution is effective as the date of this Notice.

If you have any questions, please contact Robert B. Cooke, Acting Chief of DWR's State Water Project Analysis Office at (916) 653-5945 or Perla Netto-Brown, Chief of DWR's Division of Fiscal Services at (916) 653-9836.

Attachments

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

THIRTY-SIXTH SUPPLEMENTAL RESOLUTION
AMENDING THE THIRTY-THIRD SUPPLEMENTAL RESOLUTION
DETERMINING AND DESIGNATING CERTAIN
MONEYS AS REVENUES UNDER THE
CENTRAL VALLEY PROJECT WATER SYSTEM
REVENUE BONDS, GENERAL BOND RESOLUTION

(No. DWR-WS-65)

Adopted as of April 25, 2007

**THIRTY-SIXTH SUPPLEMENTAL RESOLUTION
AMENDING THE THIRTY-THIRD SUPPLEMENTAL RESOLUTION
DETERMINING AND DESIGNATING CERTAIN
MONEYS AS REVENUES UNDER THE
CENTRAL VALLEY PROJECT WATER SYSTEM
REVENUE BONDS, GENERAL BOND RESOLUTION**

(No. DWR-WS-65)

WHEREAS, the State of California Department of Water Resources (hereinafter the "Department") has issued its Central Valley Project Water System Revenue Bonds (the "Bonds") under the Central Valley Project Water System Revenue Bonds, General Bond Resolution, adopted as of July 1, 1986, as amended (the "Resolution");

WHEREAS, Section 101 of the Resolution defines the term "Revenues" to include not only all moneys received by the Department under the Water Supply Contracts resulting from the construction, acquisition or operation of Projects, but also all moneys received by the Department from any other legally available source which the Department in its discretion determines to be "Revenues" and so designates in a Certificate of the Department filed with the Treasurer (as those terms are defined in the Resolution);

WHEREAS, as of December 8, 2006, in order to satisfy the requirements of the Resolution with respect to the Bonds issued prior thereto and any Bonds issued to refund such Bonds, the Department adopted its Thirty-Third Supplemental Resolution Determining And Designating Certain Moneys As Revenues Under The Central Valley Project Water System Revenue Bonds, General Bond Resolution (the "Thirty-Third Supplemental Resolution");

WHEREAS, the Department desires to clarify that the intent of such supplemental resolution was to satisfy the requirements of the Resolution solely with respect to the Bonds issued prior thereto and any Bonds issued to refund such Bonds;

NOW, THEREFORE, BE IT RESOLVED and certified by the State of California Department of Water Resources in accordance with the General Bond Resolution as follows:

1. Capitalized terms used and not defined herein have the meanings ascribed to such terms in the Resolution.

2. Section 2 of the Thirty-Third Supplemental Resolution is hereby amended and restated to read as follows:

"2. Subject to the limitation set forth below, Department hereby confirms, determines and designates that: (a) any moneys available under California Water Code Section 12937(b)(4) for use by the Department for acquisition and construction of the State Water Resources Development System are Revenues under the Resolution, and (b) any moneys received by the Department that fall under the revenue need category specified in Article 51(c)(2)(i) of the Water Supply Contracts (or the equivalent article in Water Supply Contracts other than that of the Metropolitan Water District of Southern California) are from facilities

financed by Bonds and are Revenues under the Resolution, whether or not such moneys are the result of charges under the amendments commonly known as the Off-Aqueduct Power Facilities Amendment, the East Branch Enlargement Amendment, the Water System Revenue Bond Amendment, the Coastal Branch Extension Amendment and the East Branch Extension Amendment. The above designation of Revenues shall apply only to the extent and in the amount necessary to satisfy the requirements of the Resolution (taking into account the availability of other Revenues) with respect to Bonds issued prior to December 8, 2006 ("Existing Bonds") and that portion of any Bonds issued after such date that are used solely to refund Existing Bonds. Such designated Revenues shall be subject to the lien of the Resolution as provided in Section 802 thereof for the equal and proportionate benefit, security and protection of all Holders of Bonds in accordance with Section 202 of the Resolution."

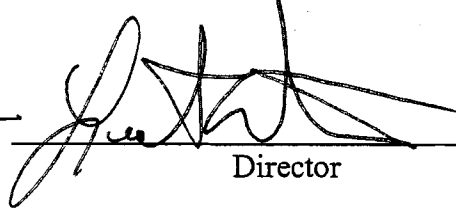
THIS THIRTY-SIXTH SUPPLEMENTAL RESOLUTION is hereby adopted in the State of California by the State of California Department of Water Resources as of the 25th day of April, 2007.

Approved as to legal form
and sufficiency:

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES



Chief Counsel



Director