

EXHIBIT 35

**BOARD OF DIRECTORS
OF THE
ANTELOPE VALLEY-EAST KERN WATER AGENCY**

**RESOLUTION NO. R-08-14
DECLARATION OF A WATER SUPPLY EMERGENCY**

WHEREAS, the Antelope Valley-East Kern Water Agency (AVEK) serving areas within the Counties of Kern and Los Angeles, and the California Department of Water Resources (DWR) have entered into a Water Supply Contract to provide a water supply to the Agency from the State Water Project (SWP); and

WHEREAS, SWP water represents 100 percent of the total surface water supply for AVEK; and

WHEREAS, for 2008 the water supply allocation from the SWP is 35 percent of the full contract amount, and there is no surplus water available from other sources; and

WHEREAS, on December 14, 2007 the Federal District Court issued an interim remedial order imposing further restrictions on the Sacramento-San Joaquin Delta (Delta) pumping operations of the SWP and the Central Valley Project (CVP) to address concerns regarding the Delta Smelt, which is listed as a threatened species under both the Federal and California Endangered Species Acts; and

WHEREAS absent the Federal District Court's interim remedial order, the AVEK would receive a 45 percent allocation from the SWP; and

WHEREAS, the only remedy that has thus far been implemented by the State of lessen the further impact that toxins, invasive species and in-Delta diversions have a significant impact on Delta smelt is to significantly reduce pumping of the SWP; and

WHEREAS, an imminent Court ruling on the Chinook Salmon may further exacerbate water restrictions in the Delta; and

WHEREAS, AVEK plays a critical role in water distribution because it holds the largest entitlement of SWP water with an allocation of 141,400 acre feet per year; and

WHEREAS, on June 4, 2008 the Governor of California issued an Executive Order proclaiming a statewide drought; and

WHEREAS, AVEK staff has determined that full utilization of local water resources and current banking programs are insufficient to meet such water demands without implementing the proposed emergency measures;

WHEREAS, pursuant to section 9a of section 98-61, and section 98-62 of the AVEK Water Agency Law provides that the Agency has the authority to restrict the use of Agency water during any emergency caused by drought, or other threatened or existing water shortage;

WHEREAS, AVEK staff has requested the Agency Board of Directors find that an emergency exists due to the low allocation of water from the SWP, and the pending adjudication in the Antelope Valley region which could result in a reduction in the amount of local water that will be allowed to be pumped from the aquifer;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Antelope Valley-East Kern Water Agency does hereby declare that an emergency exists due to the reduced water supplies from the SWP and the inability of local surface supplies and existing recovery capacity to alleviate that loss; and that:

1. There is presently a clear danger of further damage to existing crops and potential socioeconomic losses, including job losses and reduced business activity, from the current water supply shortage; and
2. Immediate action is required to minimize the damage to existing crops and the resulting negative impacts to Los Angeles and Kern County economies; and
3. The emergency measures described herein will reasonable minimize the damage to existing crops; and
4. The General Manager is authorized and directed to promote and facilitate water transfers and exchanges within Los Angeles and Kern County; and
5. The General Manager is authorized and directed to develop additional programs and measures to provide additional emergency water supplies; however, prior to the expenditure of funds for capital improvements, extraction and exchange fees, purchase of water and the purchase of electrical power, the General Manager shall seek additional approval from the Board of Directors.

BE IT FURTHER RESOLVED, that the Board of Directors of the Antelope Valley-East Kern Water Agency will request that the Governor declare a state of emergency for the Antelope Valley to alleviate any short-term impacts associated with the current water supply conditions and to expedite long-term solutions to improve California's water conveyance systems to increase water supplies and to better manage California's water system for improved water quality, flood control and environmental enhancement; and

BE IT FURTHER RESOLVED, that the Board of Directors of the Antelope Valley-East Kern Water Agency will seek similar declarations of emergency from customers and the Los Angeles County Board of Supervisors, and the Kern County Board of Supervisors in order to provide the greatest amount of assistance to resolve this emergency.

**BEFORE THE BOARD OF DIRECTORS
OF THE
ANTELOPE VALLEY-EAST KERN WATER AGENCY**

**RESOLUTION NO. R-08-14
DECLARATION OF A WATER SUPPLY EMERGENCY**

In the matter of:

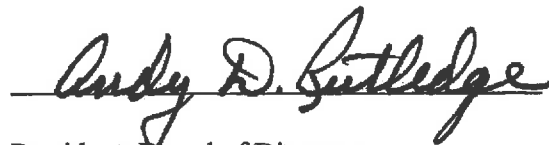
**DECLARATION OF A WATER *
SUPPLY EMERGENCY ***

I, Marilyn L. Mettler, Secretary of the Board of Directors of the Antelope Valley-East Kern Water Agency, of the Counties of Los Angeles, Kern and Ventura, State of California, do hereby certify that the following resolution proposed by Director Wienberger, and seconded by Director Dyas, was duly passed and adopted by said Board of Directors at an official meeting hereof this 24th day of June, 2008 by the following vote, to wit:

Ayes: 6

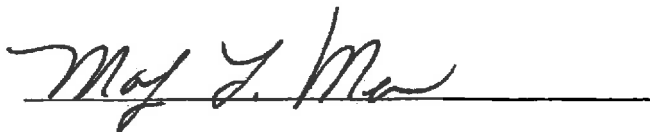
Noes: 0

Absent: 1



President, Board of Directors
Antelope Valley-East Kern Water Agency

ATTEST:



Secretary to the Board of Directors
Antelope Valley-East Kern Water Agency