

**MINUTES of the BOARD of DIRECTORS of the
SOUTH FEATHER WATER AND POWER AGENCY
formerly
OROVILLE-WYANDOTTE IRRIGATION DISTRICT
FINANCING CORPORATION
Tuesday, January 25, 2005- 3:00 PM,
District Conference Room, 2310 Oro Quincy Hwy. Oroville, California**

President Hunter called the meeting to order at 3:25 p.m.

DIRECTORS PRESENT: Jean Brown; Lou Cecchi; Dee Hunter; Vivian Meyer; Jim Edwards

STAFF PRESENT: Michael Glaze, Executive Director/Secretary;
Patricia A. Sands, Chief Financial Officer;
Matt Colwell, Water Division Manager;
Kathy Petersen, OWID Power Division Manager;
Patricia L. Douglass, Deputy Secretary;
Jeff Meith, Legal Counsel.

APPROVAL OF MINUTES

M/S/C (Brown/Cecchi) approving the Minutes of the Meeting of January 27, 2004 as presented.

PUBLIC PARTICIPATION

None.

REPORT OF STATUS OF PROJECTS

1995 Certificates of Participation (COP)

The SFWPA (previously OWID) Financing Corporation's 1995 COPS were sold in May 1995, resulting in \$5,900,000 in proceeds being available to the Agency for its Steel Pipeline Replacement Project.

Project funds were exhausted in 2002.

During the course of the project, \$517,022 was expended on construction equipment.

Although the end of 2002 depleted 1995 COP proceeds, the project was officially completed in November 2004 when the last section of 14" steel mainline along Riverview Drive opposite ID#1 was replaced with 16" C-900. Expenditures in 2004 are as follows:

JOB NO.	LOCATION	I.D. NO.'s	EXPENSE
2002-34	Riverview Drive	571, 583, 584	\$ 37,276.61

Since the inception of the project the total expenditure for project purposes is \$6,510,254.

The Construction Fund was invested in LAIF. A total of \$817,481 has been earned in interest since the project's inception. Interest earned (arbitrage) was transferred to the Water Division LAIF General Fund Reserve and was applied towards the COP debt service.

The original project list (from the 9/94 "Steel Pipeline Replacement Report" – basis for COP financing) identified 167,265 feet of steel pipe to be replaced. During the course of construction an additional 37,723 feet (22.6% more) of steel pipe was found in need of replacement.

2003 Certificates of Participation (COP)

The SFWPA Financing Corporation's 2003 COPs were sold on November 25, 2003, resulting in \$2,606,945.35 in proceeds being available to the Agency for its Miners Ranch Treatment Plant Solar Photovoltaic Project and Office Remodel/Addition. On November 25, 2003 the proceeds were deposited in trust at BNY Western Trust Company (trustee) in Los Angeles.

The solar project was completed and placed into operation in May 2004. The total expenditure for project purposes was \$2,033,097.

The remaining proceeds from the 2003 COP are designated for the Office Addition/Remodel project currently under construction. The total expenditure for the purposes of this project in 2004 was \$80,560.

ELECTION OF OFFICERS

M/S/C (Cecchi\Meyer) electing Dee Hunter as President, and Jim Edwards as Vice President, and appointing Michael Glaze as Secretary and Executive Director, and Patricia Sands as Chief Financial Officer.

ADJOURNMENT

There being no further business the meeting adjourned at 3:30 p.m.

Michael C. Glaze, Secretary

Dee Hunter, President