



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Michael Glaze, General Manager

DATE: October 20, 2009

RE: General Information (regarding matters not scheduled on the agenda)
10/27//09 Board of Directors Meeting

Relicensing

SFWPA's consulting team is continuing to develop the CEQA submittal for the State Water Resources Control Board's water quality permit application. Consultants are coordinating with the SWRCB since the SWRCB will use the SFWPA CEQA document as a basis to issue its 401 Water Quality Certificate for the new license. An internal draft Initial Study is due by November 13, 2009.

CPUC Approval of Power Purchase Agreement

As noted in Kathy Zancanella's staff report, the Public Utilities Commission has approved the power purchase agreement between SFWPA and PG&E that will become effective on July 1, 2010. A copy of that decision is attached.

In preparation for operations under that new agreement, Mrs. Zancanella and Steve Wong have been monitoring generation output and doing "dry runs" preparing invoices to PG&E as if the agreement was already in effect. The goal is to ensure that kinks and wrinkles are worked out before the agreement's commencement date arrives.

Grand Jury Review

Attached is a recent letter from the Butte County Grand Jury "inviting" me to make a presentation regarding the Agency to its Districts and Commissions Committee. After this month's Board meeting I will begin preparing a packet of information that will include the documents requested, together with additional information that will allow the Committee to have a complete understanding of the structure, operations and services of South Feather Water and Power Agency

Bounty of Oroville

This year SFWPA was one of the two "Title Sponsors" of the Bounty of Oroville, an annual event that showcases local products, art, music, and services. Chief among the local products presented at this event are agricultural products grown within Agency boundaries as a result of the availability of the water

provided by the Agency: olives and olive products, wine and other farm produce. The purpose of the sponsorship was to communicate to the community that South Feather Water and Power Agency supports and appreciates its commercial agricultural customers and wants to encourage their growth and success.

Attached is a letter from the Chamber of Commerce thanking the Agency for its sponsorship.

Obituary – Jack Osburn, I.B.E.W. Representative

Jack Osburn, retired I.B.E.W. representative for members of SFWPA's Water Treatment and Distribution Employees Unit and Hydropower Generation Employees Unit, passed away at his home on October 5. He died of a heart attack.

Jack had been the union representative for several years before I came to the Agency as GM, and retired at the end of 2007. Although our respective roles placed us on opposite sides of the bargaining table, I appreciated the professional, responsible and courteous manner in which Jack conducted union business. Wages and benefits improved significantly during the time that Jack was employees' agent.

Board Meetings in November and December

Both of the next two regular monthly Board meetings do not appear to be in conflict with holidays – November 24 (Thanksgiving is on November 26) and December 22 (Christmas is on Christmas). Therefore, I have not proposed altering or canceling those meeting dates.

Tsunami

At the Board meeting last month I reported that I was going back down to American Samoa to provide management and leadership training for the American Samoa Power Authority's (ASPA) management team. Originally, Rosie and I were scheduled to leave on October 27, but we postponed the trip one week to ensure that we didn't miss the arrival of our new grandson (actually arrived on October 24). Then, on Tuesday, October 29, a massive earthquake struck the South Pacific, generating a tsunami that struck the south and west side of American Samoa, killing 34 people and destroying dozens of villages and hundreds of homes.

ASPA immediately went in to an emergency response mode in an attempt to restore power, water and sewer services to the devastated areas of the island, necessitating an all-hands maximum output effort. Obviously, the scheduled management training was canceled. But our airline tickets had been issued and we had already arranged our calendars to be gone for two weeks, so we volunteered to go down and do what we could to assist with disaster recovery. Rosie's offer was immediately accepted by the LBJ Tropical Medical Center Hospital where she went to work in the ER. I spent my time assisting ASPA's CEO with various administrative jobs dealing primarily with securing power-generation units to replace the diesel-powered generation plant that the tsunami destroyed.

