



SOUTH FEATHER WATER & POWER

TO: Board of Directors

FROM: Michael Glaze, General Manager

DATE: March 16, 2005

**RE: Yuba County Water District
Agenda Item for 3/22/05 Board of Directors Meeting**

Yuba County Water District is under State Water Resources Control Board order to negotiate an agreement with SFWPA by June 1, 2005 detailing how YCWD will continue receiving water from the South Feather Power Project after the expiration of the present agreement in 2010.

Jeff Meith, Kathy Petersen and I first met with YCWD representatives – general manager Dennis Parker and attorney Alan Lilly – last August. We met again in February, and a third time on March 8. YCWD director Jenny Brown was also present at the three meetings, and SFWPA director Jean Brown was present for the last two meetings.

The three meetings have been productive and an outline of a proposed agreement has been developed. That outline was being reviewed by YCWD attorney Alan Lilly at the time the agenda packet was bound. When we receive it from him, it will be mailed or delivered via separate transmittal for your review prior to the board meeting.

We are not asking for any action at Tuesday's board meeting, but are making this an agenda item to facilitate a question-and-answer session that may lead to the Board providing specific direction concerning various aspects of the agreement.