

**MINUTES of the SPECIAL MEETING of the BOARD of DIRECTORS of  
the  
SOUTH FEATHER WATER & POWER AGENCY  
Tuesday, December 21, 2004, 2:00 PM,  
Agency Conference Room, 2310 Oro Quincy Hwy. Oroville, California**

**DIRECTORS PRESENT:** Jean Brown; Lou Cecchi; Dee Hunter; Vivian Meyer.

**DIRECTORS ABSENT:** Jim Edwards.

**STAFF PRESENT:** Michael Glaze, General Manager/Secretary;  
Matt Colwell, Water Division Manager;  
Kathy Petersen, Power Division Manager;  
Patricia Douglass, Deputy Secretary;  
Jeff Meith, Legal Counsel;  
Art Martinez, MIS Manager.

**STAFF ABSENT:** Patricia A. Sands, Business Manager/Treasurer.

**OTHERS PRESENT:** Maurice Martinez; Hank Bailey; Ron Fink; Clarence  
"Buck" Weckman; Tom Barnard; Jack Osburn (2:45  
p.m.).

**CALL TO ORDER**

President Brown called the meeting to order at 2:00 p.m. and led the Pledge of Allegiance.

**APPROVAL OF MINUTES**

M/S/C (Hunter/Cecchi) approving the Minute of the Regular Meeting of November 23, 2004, as presented.

**APPROVAL OF WARRANTS**

M/S/C (Cecchi/Hunter) approving the total Water Division expenditures for the month of November, 2004 in the amount of \$509,515.83 - Warrants #19835 through #19885; and, the total Power Division expenditures for the month of November, 2004 in the amount of \$411,714.55 - Warrants #60868 through #60917.

## **PUBLIC PARTICIPATION**

Ron Fink asked about the billing dates and if irrigation water was pro-rated if the water is received for only 15 days out of the month. His wife wrote a letter inquiring about pro-rating and did not receive a response. Manager Glaze explained that it is hard to show usage for 15 days on Flat Rate Accounts, it has been the practice of the Agency to charge for the entire month if water has been delivered for 15 days in a month.

Maurice Martinez again thanked the Board for the honor they bestowed upon him with the Resolution of Recognition presented last month.

Hank Bailey asked what is the scope of intent of Public Participation? Manager Glaze explained that it is a time provided for items that the public may have a concern about that are not on the Agenda.

Mr. Bailey had a question about how the annual Budget is managed (some years over and some under)? Manager Glaze said all purchases are made by Purchase Orders and the Board is provided with a monthly report, which summarized expenditures.

Mr. Bailey also reported that he has a new neighbor living in a travel trailer on the parcel next to his. The neighbor is illegally crossing Mr. Bailey's land stealing SFWP water from the ditch. Matt Colwell will notify the ditchtender for that area.

## **BUSINESS MANAGER'S REPORT**

The Board reviewed financial reports by Pat Sands, Business Manager.

## **POWER DIVISION REPORT**

The Board reviewed a written report by Kathy Petersen, Power Division Manager.

### **Operations**

The Environmental Water Account transfer was completed on December 7. The gauge records indicated that 6,220 af was spilled, falling short of the planned 10,000 af because of lack of normal rainfall anticipated for that period.

### **Maintenance Projects**

#### Forbestown Powerhouse Outage

The annual outage on Forbestown Powerhouse began on December 6 and continued through December 21. There was wear noted last year on the wicket gates so during this outage further investigation determined that the needed repairs would require a four-week or longer outage, which will be scheduled in the 2006 budget.

### Woodleaf Transformer

While doing routine inspections, Nick Brandt noted that the low-side bushings on the Woodleaf main transformer were leaking. It was determined that the bushings were nearing a state where failure would have been probable, causing an extended outage. Crews were able to make repairs before a more serious problem developed.

### Miners Ranch Conduit Station 3 Access Road Repair

A Water Division crew led by John Franklin hauled over 2,000 tons of large rock rip-rap to repair the access road along Miners Ranch Canal adjacent to Lake Oroville. The damage was caused by high water in Lake Oroville.

## **General Information**

### Lost Creek Dam Investigations

There have been a number of ongoing investigations related to the leaking pipe at Lost Creek dam. The Board was provided with a confidential report on some of the results of the investigations.

### FERC Meeting

Tom Barnard of DMJM + Harris gave a report on a meeting with FERC staff in San Francisco to review the issues related to the probable maximum flood studies conducted earlier this year. FERC recommended additional investigations related to inflow design floods and incremental damage assessments before settling on a structural solution.

## **WATER DIVISION REPORT**

The Board reviewed a written report by Matt Colwell, Water Division Manager.

### **Distribution Operations**

Before and after photographs of the road repairs along Miners Ranch Canal were provided for the Board to emphasize the scope of the access road project. The work was required for access to a larger repair project at the Miners Ranch Tunnel intake, which will be completed in 2005.

### MRTP Clear Well

Temcor is on site and building trusses for the clear well cover, estimated to be completed by 1/30/05. The clear well will be bypassed throughout the construction period and demands will be met from the 2.0 million gallon tank.

### **Water Treatment Operations**

#### Solar Plant Production

MRTP staff is actively monitoring the Solar System performance. Currently the estimated savings is approximately \$85,000. A graph comparing historical energy consumption to water production was included for the Board's review.

### Water Plant Production

All bacteriological requirements were met for the Miners Ranch Treatment Plant, Bangor Treatment Plant, Community Line System, Strawberry and Sly Creek Campgrounds.

### Irrigation Operations

Irrigation staff has focused on normal winter maintenance activities – brushing, clearing canal bank access roads along the Palermo Canal, and removal of storm damage debris along the Forbestown Canal.

Treated Water Production: Miners Ranch – 76.8 MG; Community Line – 1.4 MG; Bangor – 0.24 MG.

Leaks Repaired: One main line and seven service line leaks were repaired. Seven backflows and two meters were installed in November.

### **LEGAL COUNSEL**

No report

### **GENERAL MANAGER'S REPORT**

The Board reviewed a written report by Michael Glaze, General Manager.

Manager Glaze commended Matt Colwell, Rick McCullough, and Chris Crown for their work on the “*Water System Conveyance Evaluation*” report (the Directors were provided copies of the report).

### Fee Increases

In accordance with action the Board took in 1999, the System Capacity Charge, Backflow Maintenance Charges and Annexation Fee will increase by 7.7% on January 1, 2005.

### Office Expansion

The building permits have been approved and construction has commenced. The plan is to install all underground infrastructure for the building and place the foundation, in the Spring the framing will begin. Work during the rainy season will be constructing the parking lot improvements and the new driveway.

### Water Transfers

Although unable to transfer the full 10,000 af we were able to deposit 6,220 af to the Environmental Water Account, which generated \$466,500 additional revenue to the Agency for the Relicensing Fund in 2005.

### Constructed Conveyances

The Board was provided copies of a letter and survey form mailed to all irrigation customers (approximately 700) last month. Well over half have been returned to date.

## **DIRECTORS REPORTS**

Director Brown attended YCWD's most recent Board meeting and said she was impressed with the way newly elected Buck Weckman conducted the meeting.

Mr. Weckman said he had been looking forward to the challenge.

### **EASEMENT ABANDONMENT – APN 027-120-019**

M/S/C (Meyer/Hunter) adopting Resolution 04-12-1 to quitclaim all of the Agency's right, title and interest in easements and reservations across property owned by J. David Enloe and Kathleen Enloe (APN 027-120-019).

Ayes: Directors Brown, Cecchi, Hunter and Meyer.

Absent: Director Edwards.

### **INCREMENTAL DAMAGE ASSESSMENT**

M/S/C (Cecchi/Hunter) authorizing the Power Division Manager to approve expenditures by DMJM+HARRIS for feasibility and alternatives evaluations at a cost not to exceed \$50,000, and to further authorize expenditures of an additional \$50,000, up to a total of \$100,000, upon receipt of a more complete proposal and budget.

Ayes: Directors Brown, Cecchi, Hunter and Meyer.

Absent: Director Edwards.

### **STATE BUDGET BAILOUT SURCHARGE**

M/S/C (Hunter/Cecchi) approving that customers be informed that implementation of a special State Budget Bailout Surcharge of \$4.10 per month per account, for twenty months, commencing in March 2005, will be considered at the regular Board meeting on February 22, 2005 subject to written protests being received from a majority of customers no later than February 16, 2005.

Ayes: Directors Brown, Cecchi, Hunter and Meyer.

Absent: Director Edwards.

## **2005 WATER DIVISION BUDGET**

M/S/C (Cecchi/Hunter) approving the 2005 Water Division Budget as proposed by the Finance Committee, including appropriation of funds for the recommended personnel additions, and for the Betterments, Distribution System Projects, and Irrigation Augmentation Projects specified in Schedule.

Ayes: Directors Brown, Cecchi, Hunter and Meyer.

Absent: Director Edwards.

## **ANNUAL BOARD REORGANIZATION**

M/S/C (Cecchi/Meyer) electing Director Dee Hunter as President and Director Jim Edwards as Vice President for 2005, and appointing the General Manager as Board Secretary and the Business Manager as Treasurer for 2005.

## **CLOSED SESSION**

### **Conference with Labor Negotiator (Govt. Code §54957.6)**

Negotiator: General Manager  
Employee Organizations: Clerical & Support and Management & Professional – SEIU Local 1292.

### **Conference with Real Property Negotiator (Govt. Code §54956.8)**

Property: APN 069-360-055 & 063, Riverview Drive, Oroville, CA.  
Agency Negotiator: Michael Glaze, General Manager  
Under Negotiation: Extending length of due-diligence period during current escrow.

## **ADJOURNMENT**

President Brown announced that no action was taken during closed session

The Special meeting of December 21, 2004 was adjourned at 4:40 p.m.

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Michael C. Glaze, Secretary

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Jean Brown, President