



SOUTH FEATHER WATER & POWER AGENCY

AGENDA

**Regular Meeting of the Board of Directors of the
South Feather Water & Power Agency
Board Room, 2310 Oro-Quincy Highway, Oroville, California
2:00 P.M., Tuesday; October 25, 2011**

A. Roll Call

B. Approval of Minutes – Financial Workshop and Regular Meeting on September 27, 2011 (Tab 1)

C. Approval of Warrants (Tab 2)

D. Public Participation

Individuals will be given an opportunity to address the Board regarding matters within the Agency's jurisdiction that are not scheduled on the agenda, although the Board cannot take action on any matter not on the agenda. Comments will be limited to 5 minutes per speaker. An opportunity for comments on agenda items will be provided at the time they are discussed by the Board. Comments will be limited to five minutes per speaker per agenda item.

E. Staff Reports (Tab 3)

F. Directors' Reports

Directors may make brief announcements or reports for the purpose of providing information to the public or staff, or to schedule a matter for a future meeting. The Board cannot take action on any matter not on the agenda and will refrain from entering into discussion that would constitute action, direction or policy, until such time as the matter is placed on the agenda of a properly publicized and convened Board meeting.

G. Business –

BCSDA Executive Board Nominations (Tab 4)

Nomination of an SFWPA director(s) for election to the Butte County Special Districts Executive Board.

Forbestown Ditch – Moratorium on Annexations (Tab 5)

Action to impose a permanent moratorium on all new annexations for water service from the Forbestown Ditch to ensure the continued availability of water for Railroad Commission parcels and those within the Agency's boundaries; and the prohibition of surplus water agreements for Forbestown Ditch water.

Hydrologic Monitoring System Evaluation (Tab 6)

Approval of a consulting services agreement with Innovative Hydrology, in the not-to-exceed amount of \$5,500, to conduct an evaluation and review of the Agency's hydrologic information system.

Surplus Communications System Equipment (Tab 7)

Action to declare surplus communications system equipment being replaced by a new Power Division microwave communications system.

Closed Session. Conference with Legal Counsel – Existing Litigation. (Tab 8)

Government Code §54956.9a. SFWPA v. Surface Water Data.

H. Adjournment

**MINUTES of the REGULAR MEETING of the BOARD of DIRECTORS of
SOUTH FEATHER WATER & POWER AGENCY**

Tuesday, September 27, 2011, 2:00 P.M.,
Agency Board Room, 2310 Oro-Quincy Hwy., Oroville, California

DIRECTORS PRESENT: James Edwards, Dee Hunter, and Lou Lodigiani.

DIRECTORS ABSENT: Dennis Moreland and Steve Onken.

STAFF PRESENT: Scott Alcantara, Environmental and Safety Manager
Steve Wong, Finance Division Manager;
Arthur Martinez, Manager of Information Systems;
Matt Colwell, Water Division Manager;
Kathryn Zancanella, Power Division Manager;
Jeffrey Meith, Legal Counsel;
Michael Glaze, General Manager.

OTHERS PRESENT: Jean Brown.

CALL TO ORDER

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

APPROVAL OF MINUTES

M/S/C (Lodigiani/Hunter) approving the Minutes of the regular meeting of August 23, 2011.

APPROVAL OF WARRANTS

M/S/C (Lodigiani/Hunter) approving the total General Fund and Joint Facilities Operating Fund expenditures for the month of August 2011 in the amount of \$663,108.42; and, approving the total Power Division expenditures for the month of August 2011 in the amount of \$1,105,777.34.

PUBLIC PARTICIPATION – None.

ENVIRONMENTAL AND SAFETY MANAGER’S REPORT

On Tuesday, June 14, a Cal-OSHA Associate Safety Engineer conducted a routine unannounced compliance inspection of the Miners Ranch Treatment Plant Process Safety Management (PSM) Plan. This inspection resulted in the issuance of a “Notice of Correction” violation in regards to the Agency’s Confined Space Program documentation. This type of violation is administrative in nature and does not include a monetary penalty. Subsequently, the Confined Space Program documentation was revised to correct the violation.

The Cal-OSHA unit Manager also requested that the inspector issue a “General Citation” for an alleged violation in regards to location of the emergency eyewash/shower in relation to MRTP’s gaseous chlorine system. This citation had a monetary penalty of \$375 associated with it. Mr. Alcantara filed an appeal of this citation on August 15, 2011.

A pre-appeal hearing took place on September 8, 2011, with the Cal-OSHA unit manager that requested the issuance of the citation. At this hearing Mr. Alcantara presented information that supported the Agency’s position regarding the placement of the emergency eyewash/shower in question. This led to a lengthy discussion with other inspectors in the Cal-OSHA office, along with a conference call involving the Southern California Cal-OSHA Process Safety office. Ultimately, the Cal-OSHA unit manager dismissed the “General Citation”.

General Manager Mike Glaze praised Mr. Alcantara for having the knowledge and ability to represent the Agency so well in these situations.

POWER DIVISION MANAGER'S REPORT

The Board reviewed a written report from Kathy Zancanella, Power Division Manager, including water management, powerhouse operations and power revenue for August 2011.

Operations

Fall draw-down releases from Little Grass Valley will begin on September 27 when releases will be ramped up over three days from 30 to 400 cfs. The higher flows will be maintained until about October 24 to provide for whitewater boating opportunities below Little Grass Valley.

Lightning Storm – September 13, 2011

A severe thunderstorm warning was issued for the evening of September 13 in the Little Grass Valley and La Porte vicinity. The storm produced a significant amount of lightning. Fortunately, the storm also produced rain, and the gauge in La Porte recorded 0.86 inch in a single hour (between 8-9 pm).

Annual Outage Preparation

Outage season is coming and the crew is making preparations. The Kelly Ridge Powerhouse and Miners Ranch Canal annual outage is scheduled for October 3–14, and the Sly Creek Powerhouse annual outage is scheduled for October 2 through November 4. At Kelly Ridge Powerhouse, the crew will make adjustments to one of the 60 kV disconnect switches that showed up as being hotter than normal during an infrared inspection conducted by Chubb Insurance, and HDR Engineering will inspect the turbine shutoff valve in preparation for making a recommendation for refurbishment of the valve.

Sly Creek Dam Crest Modification

The primary activity at Sly Creek Dam during the past month has been coring and drilling the holes for the new Obermeyer spill-gate's anchor bolts. This took longer than expected due to the amount of rebar encountered by the driller in the ogee section (the extent of the steel in the ogee was not shown on as-built drawings). The driller used four cutting cores on a single hole and had to switch to a larger diameter corer to retrieve the diamond bits left behind. The Division of Safety of Dams required that coring be done on the concrete, rather than drilling, so that the cores could be examined and verified for rock contact. Installation of the anchor bolts should be underway by September 27. The gate components have arrived in Forbestown and are ready for installation once the anchor bolts have been set and load tested.

Little Grass Valley Access Tunnel Repairs

Neil's Controlled Blasting has installed the drainage panels in the Little Grass Valley access tunnel and should be completed with the shotcrete work by September 27.

FINANCE DIVISION MANAGER'S REPORT

The Board reviewed a written report from Steve Wong, Finance Division Manager.

South Feather Relicensing Consulting Services

No invoices have been received this month for relicensing consulting services. Total relicensing payments to-date to HDR, the Agency's consultant for relicensing, amount to \$5,108,868 for services rendered through June 25, 2011. The budget balance remaining under this agreement is \$41,893.

Employee Workshop Day

Wednesday, August 24 was set aside for an SFWPA Employee Workshop Day, with activities taking place at the Administrative Offices (directors reviewed copies of the day's agenda). The Agency remained open for normal business, provided all necessary services, and was available for any emergency situation that might have arisen.

The day was well received by employees. Evaluations submitted by 35 of them at the end of the day averaged a score of 8.6 on a scale of 1 to 10 (10 being "Very Helpful, Well Worth the Time and Effort"). Mr. Wong commended the management team, Finance Division team, Todd Richie and Dawn Cook for doing an excellent job preparing for the day, and virtually everyone assisted with setting up and cleaning up. Director Dee Hunter (and Dan) also stopped by at lunch to visit with the employees.

Liability Insurance

SFWPA has its auto and general liability insurance through the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA). The policy year runs from October 1 through September 30. Because the Agency had no significant claims for the three-year period of October 1, 2007 through September 30, 2010, the 2011-2012 premium is over \$43,000 less than the premium for the previous year (\$123,487 compared with \$166,566).

Health Insurance

Basic health insurance coverage is provided for all SFWPA employees through CalPERS. Employees can choose from four plan options and most have chosen either the Blue Shield HMO or the PERS Choice PPO alternative through Anthem Blue Cross. Effective January 1, 2012, the premium rate for these packages will increase an average of 4.1%.

Employees have PPO Dental coverage with Delta Dental of California provided through the ACWA Health Benefits Authority. These premiums will increase 4.23% on January 1, 2012. The rates for vision insurance, also provided through the ACWA Health Benefits Authority, will not increase this year.

2012 Budget

Preliminary work on compiling the 2012 Budget has commenced throughout the Agency.

WATER DIVISION MANAGER'S REPORT

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

Domestic Distribution Operations

On Friday, August 19th, Big Valley Divers inspected the ID2 storage reservoir and the two million-gallon tank (2MGT) at MRTP. The inspections are routine and the information assists in the selection and planning of maintenance projects. The ID2 site showed some unanticipated bedding roughness that has created some weakness in the bottom hypolon liner. No liner leaks were found, however, and it is still considered sound even though it is ten years beyond its life expectancy.

The 2MGT inspection revealed some minor corrosion, but the facility is structurally sound. In time, the overflow stand-pipe brackets and the access ladder will need maintenance or replacement.

In an effort to provide better flow information to sprinkler designers working to accommodate the new residential fire-sprinkler laws, water division personnel built a water service model that has flexibility to operate at variable pressures and water service configurations. With the variable terrain, pressure zones, and water service configurations within the Agency's service area, it is very difficult to provide concise water-service flow information. This mock water service will allow staff to duplicate site-specific conditions and provide better fire flow information.

Irrigation Operations

The Agency irrigation system current releases are:	Forbestown Ditch	SF 14	=	20 cfs
		NYWD	=	15 cfs
		WD 6	=	5 cfs
	Bangor Canal	SF 25	=	12 cfs
	Palermo Canal		=	12 cfs

Hydrography

Eddie Paul (SFWPA hydrographer) has coordinated with CA Department of Water Resources and is pursuing the installation of remote flow-measurement and monitoring of the inflow to the Palermo Canal. All of the equipment and technical ability is already available to implement the monitoring and staff is collaborating with the DWR hydrographer to obtain access to the existing DWR gauge house. Both agencies desire to remotely monitor the site and have the ability to provide the information to the public.

Water Treatment Operations

The 2011 cumulative demand at Miners Ranch Treatment Plant is still tracking a new record low. It is reasonable to assume that the maximum daily demand (MDD) for the year has been

achieved. On July 9th and August 15th, MRTP produced 9.0 million gallons per day, which is significantly lower than the MDD since 1994 (current records).

The monthly treatment plant and distribution system bacteriological testing requirements were passed for Miners Ranch, Bangor, Sly Creek and Strawberry systems.

Solar Plant Production

The monthly MRTP power consumption was greater than the solar power production by 70,500 KWH during the month of August.

GENERAL MANAGER'S REPORT

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

Relicensing

Since the board's last meeting there have been no new relicensing developments. The State Water Resources Control Board (SWRCB) is continuing the approval process for the 401 Water Quality Permit for the Agency's South Feather Power Project and is continuing its review of the CEQA-compliance documents submitted by the Agency earlier this year. The permit application was filed by the Agency on May 14, 2008.

Forbestown Ditch Strategic Planning Committee

This committee has not met since its last meeting on August 8. Staff will soon have the additional information requested by the committee and be ready for a second meeting scheduled for October 4, which will probably result in a recommendation to the board for a Forbestown Ditch operation policy.

Staffing Changes

The recruitment process to add two new utility workers began on August 11 and was completed on September 1. Eighty applications were received, and Matt Colwell assisted Mr. Glaze in interviewing 14 candidates. About eight of the interviewees turned out to be exceptionally well qualified for the job. Ultimately, the positions were awarded to local residents Cory Nevers and Michael Stark, both of whom, coincidentally, were long-time employees of Valley Utility Service, an underground construction company based in Sacramento. They both have a Class A drivers license, and both are experienced heavy equipment operators. Mr. Nevers first day at SFWPA was September 19, and Mr. Stark will begin work on October 10.

Also, a vacant water treatment plant Operator-in-Training position was awarded to Utility Worker Mark Teer, effective September 26. Mark has a T2 water treatment certificate from the State of California, and is excited about the opportunity to get the training necessary to acquire his T3 and become a Water Treatment Operator III.

Possible Power-Generation Partnership

On August 22, Kathy Zancanella and Mr. Glaze met with representatives of Northern California Power Authority, Bay Area Rapid Transit (BART), and the University of California (UC) to initiate a discussion regarding a possible partnership to build and operate additional hydropower generation facilities within the South Feather Power Project. Both BART and UC have substantial load centers, and NCPA has full market access, coordination and dispatch capabilities, as well as CAISO interface and settlement functions for ancillary services, energy and capacity transactions.

Of immediate interest to UC and BART are the two small generation opportunities at Ponderosa Reservoir. However, interest was also expressed in the larger generation opportunity at South Fork Diversion. For now, NCPA is coordinating with the BART and UC representatives to review the information that Mr. Glaze provided prior to and during our meeting. They will be assessing the potential generation value of the projects relative to the current and forecasted market conditions, and their specific needs.

Another meeting is anticipated around the first of November, and it should be known shortly after the first of the year if a partnership has any potential of being recommended to the board for consideration.

DIRECTORS’ REPORTS – Lou Lodigiani reported that he visited DWR’s Pilot Peak snow gauging station recently.

LITTLE GRASS VALLEY TUNNEL CHANGE ORDER

At the August meeting, the Board approved awarding the contract for repairs of the Little Grass Valley Access Tunnel to Neil’s Controlled Blasting. With a project budget of \$400,000, the work was bid on a lump sum basis at a cost of \$207,600 and included the cost of 306 ft.² of drainage panel material. When the contractor scaled the old shotcrete and loose rocks from the tunnel, the extent of groundwater seepage was determined by HDR Engineering to be much greater than originally anticipated, and the amount of drainage material required was increased to 2,000 square feet. This resulted in Neil’s Controlled Blasting submitting a request for a change order in the amount of \$18,950 for the necessary additional 1,700 ft.² of material at \$11.15 per sq. ft.².

The project’s timeline was tight, and even with the additional drainage structure, the project repairs would be completed prior to the Board’s September meeting. Therefore, rather than delay the project to get Board approval, probably resulting in additional cost claims from the contractor, General Manager Mike Glaze approved the change order, subject to the board’s ratification.

M/S/C (Hunter/Lodigiani) ratifying the General Manager’s approval of the Change Order Request for Composite Drainage Panels for Little Grass Valley Dam, dated September 12, 2011.

MINERS RANCH CANAL BRUSHING BY CAL FIRE CDC CREW

This past June, the Board approved using a California Department of Corrections (Cal Fire CDC) crew, supervised by the California Division of Forestry, to do brushing work along Barton Hill Road to Sly Creek Dam. The crews worked efficiently and for the very low cost of about \$221 per day.

The Power Division is now preparing for the annual outage on Miners Ranch Canal, and vegetation removal along the banks of the canal is one of the tasks that needs to be completed. In past years, Water Division personnel have assisted with this work, but due to staffing levels, there are not enough employees to do both the canal work and a planned valve replacement project at the Palermo School scheduled for the same time period. Therefore, the proposal is to use a Cal Fire CDC crew for the vegetation removal.

The Cal Fire CDC crew would work for a total of eight days during October 4-13, at an estimated cost of approximately \$1,800.

Directors reviewed the Cal Fire Memorandum of Understanding, Project Description, and Rules and Regulations Pertaining to Inmate Crews.

M/S/C (Hunter/Lodigiani) approving the use of Valley View Conservation Camp crews, under the direction of the California Department of Forestry and Fire Protection, to provide services related to vegetation removal along the Miners Ranch Canal and access road, and authorize the General Manager to execute a Memorandum of Understanding with the California Department of Forestry and Fire Protection for said services.

CHANGE IN DOMESTIC WATER RATES – PROPOSITION 218 NOTICE

At its April 2010 meeting, the Board adopted a Strategic Ten-Year Financial Plan for 2011-2020 including, conceptually, modifications to potable water rates in 2012, 2014 and 2017. The current rates and the proposed rates from that plan are shown below.

	First	After First
<u>Year</u>	<u>100 Units</u>	<u>100 Units</u>
Current	\$0.64	\$0.25
2012	\$0.53	\$0.28
2014	\$0.42	\$0.31
2017	\$0.35	\$0.35

Based on current customer usage, the proposed new rates would result in water bills being reduced for over 99% of the Agency's treated-water customers. The table, below, analyzes the impact the new rates would have on high-volume customers.

Year	Rate for First 100 Units	Rate After First 100 Units	Cost for First 100 Units	Breakeven Volume (units)	Total Bill* for Breakeven Volume	Customers Who Would Pay More	Highest Average Monthly Increase
Present	64¢	25¢	\$64.00				
2012	53¢	28¢	\$53.00	466.7	\$170.67	43	\$4.52
2014	42¢	31¢	\$42.00	466.7	\$170.67	43	\$9.05
2017	35¢	35¢	\$35.00	390.0	\$151.50	63	\$11.75

**Includes \$15.00 monthly service charge, but not the Backflow Maintenance Charge paid by 18% of the treated-water customers.*

Most treated-water customers do not exceed 100 units (10,000 cubic feet, or 74,800 gallons) of consumption per month. The average customer uses between a low of 8 units in the winter and a high of 47 units in the summer.

The “breakeven volume” in the table, above, is the consumption volume at which the new rate would result in a customer’s bill equaling what it would under the present rate (this happens because the second tier increases as the first tier decreases so that they are equal in 2017). Only 43 customers received a bill in 2010 that exceeded \$170.67 (the breakeven cost in 2012 and 2014), and 63 customers in 2010 had a bill that exceeded \$151.50 (the breakeven cost in 2017).

Notwithstanding the fact that the proposed new rates would result in a decrease for over 99% of all Agency customers, a few customers could possibly see an increase. Jeff Meith advises that court precedent interprets Proposition 218’s process for “increasing” any fee or charge (including user fees for a property-related service) as applicable to metered service charges. Thus, it is Jeff’s recommendation that the Agency comply with the Prop. 218 requirement that a notice and opportunity to protest be provided before implementing the first phase of the rate-structure amendment in 2012.

Directors reviewed a form of notice that was drafted by Jeff Meith to satisfy Proposition 218’s requirements. It would be sent to the record owner (based on the last equalized county assessment roll) of each parcel on which the fee is proposed for change, as well as to the address where the service is delivered, if they are not the same. The notice would be mailed as soon after the board’s authorization as possible, with a public hearing (as required by Proposition 218) scheduled in conjunction with the Board’s regular monthly meeting in November.

M/S/C (Lodigiani/Hunter) authorizing the Notice of Change in Rates, as prepared by legal counsel, to be sent to the record owner of each parcel on which the fee is proposed for change, as well as to the address where the treated-water service is provided.

Director Hunter requested that the agenda for the November board meeting include an opportunity for the Board to consider reducing irrigation water rates, as well.

HDR ENGINEERING – TASK ORDER #3, WOODLEAF POWERHOUSE NEEDLE VALVES
At the Board’s April 2011 meeting, a Master Services Agreement with HDR Engineering was approved for engineering and design services. The third task for which Power Division is requesting HDR’s services is with respect to the budgeted replacement of the Woodleaf Powerhouse needle valves and seats (throat rings). Directors reviewed HDR Engineering’s proposed Task Order No. 3. The estimated budget for the work described is \$4,957.

Excess leakage is occurring through the needle valves now, and \$112,500 was budgeted for 2011 for replacements. The assistance is needed from HDR because, as Foreman John Davis investigated what had happened in the past, it became evident that he did not have enough information to provide the machine shop with good specifications for making the new needle seats. The needle seats were machined to a larger diameter opening in 1992 by Power Division personnel, but documentation of the work and the engineering behind it was lacking, and John

was concerned with using the existing measured diameter as the starting point for developing a specification. One concern in particular was whether the torque on the runner from additional flow was analyzed when the work was done, in light of the stress crack found between buckets in 2007.

As described in the Task Order, HDR will look at the issues of needle throat-ring opening diameter and materials, which will be used for the specifications for replacement.

M/S/C (Onken/Moreland) approving of, and authorizing the General Manager to execute Task Order No. 3 with HDR Engineering to provide consulting services for the Woodleaf Powerhouse needle valves, with an estimated cost of \$4,957.

CLOSED SESSION (convened at 3:00 p.m.)

Conference with Legal Counsel – Existing Litigation

Government Code §54956.9a. SFWPA v. Surface Water Data.

OPEN SESSION (reconvened at 3:54 p.m.)

President Edwards announced that no action was taken during the closed session.

ADJOURNMENT (3:54 p.m.)

Michael C. Glaze, Secretary

James L. Edwards, President



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors
FROM: Steve Wong, Finance Division Manager
DATE: October 19, 2011
RE: Approval of Warrants
Agenda Item for 10/25/11 Board of Directors Meeting

September 2011 General Fund and Joint Facilities Operating Fund expenditures are summarized as follows:

Warrant Numbers: 28257 to 28327, \$ 101,939.89

Misc. Checks: 28055 to 28095, \$ 2,047,893.62
and 28178 to 28225

Payroll Expenses: \$ 385,687.28

TOTAL EXPENDITURES FOR SEPTEMBER 2011: \$ 2,535,520.79

September 2011 Power Division ("PG&E Legacy Projects") expenditures are summarized as follows:

Warrant Numbers: 66785 to 66791, \$ 108,910.90

Misc. Checks: 66769 to 66775, 66784 \$ 445,270.46

TOTAL POWER DIVISION EXPENDITURES FOR SEPTEMBER 2011: \$ 554,181.36

Action to approve all expenditures:

"I move approval of the total General Fund and Joint Facilities Operating Fund expenditures for the month of September 2011 in the amount of \$2,535,520.79; and approval for the total Power Division expenditures for the month of September 2011 in the amount of \$554,181.36"

South Feather Water and Power Agency
September, 2011 Warrants

<u>Check</u>	<u>Vendor Name</u>	<u>Account</u>	<u>General Description</u>	<u>Amount</u>
28257	ALS Group Corp	07-62-62102	Ozone Analysis, Sampling Medica	\$ 258.00
28258	Better Deal Exchange	07-63-63100	Filters, Extension Cord, Pipe Fittings	\$ 252.56
28259	Builders Supply	07-64-64260	Sono Tubes, Lumber	\$ 259.42
28260	C.O.M.P.	07-62-62226	DMV Physical	\$ 85.00
28261	CDW Government, Inc.	07-68-68100	Notebook Computer, UPS Systems	\$ 2,601.67
28262	Consolidated Electrical Distributors	07-63-63260	Switches, Bulbs, Fuses, Tape	\$ 1,321.72
28263	Crane Pest Control	07-64-64201	Ground Squirrel Suppression	\$ 690.00
28264	Guy Rents	07-64-64171	Rental of Chipper Brusher	\$ 1,823.25
28265	Hancock Petroleum Engineering	07-66-66201	Repair Gas Tank Pump at Forbestown HQ	\$ 274.25
28266	Helwit Carbon Products, Inc.	07-63-63260	Exciter Generator Brushes	\$ 1,410.35
28267	Industrial Power Products-Oroville	07-66-66260	Carburetor Kit	\$ 29.14
28268	MJB Welding Supply	07-63-63100	Connector, Welding Cable Lugs	\$ 25.64
28269	Metal Works Supply	07-64-64260	Galvanizing, D-Ring Weld	\$ 983.36
28270	North Yuba Water District	07-66-66250	Service 7/15-9/14/11	\$ 95.25
28271	Northern Calif Gloves	07-63-63102	Gloves	\$ 302.52
28272	OMICRON Electronics Corp. USA	07-00-11185	CT Analyzer, SB2 Upgrade Kit	\$ 24,345.75
28273	Oroville Safe & Lock	07-66-66100	Padlocks, Keys	\$ 267.01
28274	Pace Supply Corp.	07-63-63260	Romac Saddle, OD Measuring Tape	\$ 118.48
28275	PBM Supply & Mfg., Inc.	07-66-66150	Damper Diaphragm	\$ 67.57
28276	Pioneer Shipping	07-62-62200	UPS Fees	\$ 64.26
28277	PK Safety Supply	07-63-63270	RamFan Exhaust/Blower	\$ 2,055.28
28278	Ramos Oil Co., Inc.	07-66-66160	Fuel	\$ 6,522.74
28279	Ray's General Hardware	07-64-64260	Anchor Bolts, Wood Trim, Fittings, Tape	\$ 73.68
28280	Recology Butte Colusa Counties	07-66-66250	Garbage Svc, Sep 2011, Fbstwn HQ, Sly CG	\$ 451.96
28281	Recology Yuba-Sutter	07-65-65250	Garbage Svc., Sep 2011, Strawberry CG	\$ 91.09
28282	S & S Supplies & Solutions	07-63-63100	Rope	\$ 161.54
28283	Les Schwab	07-64-64260	Repair Flat Tire, Chipper	\$ 16.25
28284	Tehama Tire Service, Inc.	07-66-66150	Tires for Dump Truck, Trailer	\$ 6,777.20
28285	Thomas Hydraulic & Hardware	07-64-64260	Vickers Valve, Bearing, Shaft Seal, Gaskets, Filter	\$ 1,251.61
28286	TJ/H2b Analytical Services, Inc.	07-63-63201	Test Oil Samples	\$ 887.50
28287	White Cap	07-64-64260	Grout, 55 lb Bag	\$ 146.65
28288	Wilbur-Ellis	07-64-64260	Sporax Cut Tree Stump Herbicide	\$ 87.08
28289	Access Information Management	01-50-50201	Shredding Services	\$ 45.00
28290	Advanced Document Concepts	01-50-50201	Copier Maintenance	\$ 290.66
28291	All Metals Pipe & Supply	01-54-54104	Steel Tubes, Threaded Pipe, Steel	\$ 1,628.33
28292	Arctic Glacier Inc.	01-56-56100	Ice Delivery	\$ 120.00
28293	Basic Laboratory	01-53-53204	Water Testing	\$ 206.00
28294	Better Deal Exchange	01-56-56100	PVC, Bolts, Washers, Paint, Cleaners	\$ 380.01
28295	BSK Associates	01-53-53204	Water Testing	\$ 972.00
28296	Builders Supply	01-54-54104	Wedges	\$ 29.15
28297	Butte Auto Supply	01-56-56150	Radiator, Coolant, Filters, Switches, Brake Pads	\$ 1,072.68
28298	CDW Government, Inc.	01-58-58100	MS Office	\$ 10,648.00
28299	Chadbourne Office Supply	01-50-50106	Hanging File Folders, Paper, Markers	\$ 277.55
28300	Comsco Inc.	01-56-56100	Paper Products	\$ 112.08
28301	Cook Paging	01-54-54251	Paging Service	\$ 73.38
28302	CSG Systems	01-55-55102	September Billing Statements	\$ 3,817.23
28303	Del-Mar Equipment Rentals	01-56-56370	Concrete	\$ 131.92
28304	ESRI Maintenance	01-58-58999	ArcPad 10.0 Software	\$ 289.53
28305	Graphic Impressions	01-55-55102	Customer Forms	\$ 480.25
28306	Groeniger & Co.	01-00-22300	150c900, Tapping Sleeve, Gate Valve, Clamps	\$ 9,298.63
28307	Hancock's Automotive	01-56-56150	Smog Certificate	\$ 52.25
28308	Lake Oroville Area PUD	01-53-53250	Server Service, 10/1-12/31/11	\$ 75.15
28309	Ryan Leforce	01-54-54202	8" Hot Tap	\$ 585.00
28310	McMaster Carr Supply Co.	01-53-53260	Platform Beam Scale	\$ 832.35
28311	Northern Safety Co.	01-52-52102	Safety Signs, Gloves	\$ 424.69
28312	O'Reilly Auto Parts	01-56-56150	Degreaser	\$ 30.01
28313	Occupational Health Dynamics	01-52-52200	Respirator Tester Calibration, Fit Test Adapter	\$ 1,000.00
28314	Oroville Ford-Lincoln-Mercury	01-56-56150	Wheel Cyl Kits	\$ 145.86
28315	Pioneer Shipping	01-56-56200	Shipping Costs and Charges	\$ 84.73
28316	Ramos Oil Co., Inc.	01-56-56160	September Fuel Deliveries	\$ 8,710.88
28317	Recology Butte Colusa Counties	01-56-56250	September Service	\$ 565.27
28318	Sierra Chemical Co.	01-53-53102	Chlorine, Sodium Bisulfite	\$ 856.48
28319	T & T Supplies	01-56-56274	Socket	\$ 26.80
28320	Target Specialty Products	01-54-54295	Herbicide, Applicators	\$ 1,308.17
28321	Target Specialty Products	01-54-54104	Roundup ProConcentrate	\$ 1,058.85
28322	Tehama Tire Service, Inc.	01-56-56150	Tire Repair	\$ 26.91
28323	U.S.A. Blue Book	01-53-53260	Safety Lockout Hasps, Gloves, pH Buffer	\$ 91.86
28324	U.S. Bancorp Equip Finance	01-50-50201	Copier Maintenance	\$ 487.12
28325	U.S. Bank	01-59-59201	Admin Fees OWID 1980 Bonds	\$ 210.00
28326	Vista Net, Inc.	01-58-58201	Server Rebuild, Spam Filtering, DSL Service	\$ 1,518.00
28327	Wilbur-Ellis	01-54-54104	Hervicide Adjuvant	\$ 179.33

TOTAL SEPTEMBER, 2011 WARRANTS \$ 101,939.89

South Feather Water and Power Agency
Miscellaneous Checks, August, 2011

Date	Check #	Vendor Name	Account	Description	Amount
09/01/11	27977	Raley's - VOID		VOID	\$ (229.27)
09/01/11	28055	Re/Max Gold	01-00-22200	UB Refund	\$ 193.54
09/01/11	28056	Re/Max Altima	01-00-22200	UB Refund	\$ 41.20
09/01/11	28057	Betty Sandoval	01-00-22200	UB Refund	\$ 15.64
09/01/11	28058	AT&T	07-66-66251	September Local Service Statement	\$ 934.43
09/01/11	28059	CalPERS	01-50-50400	September Employee Health Ins	\$ 95,854.10
09/01/11	28060	Ian Craig	01-00-22200	UB Refund	\$ 72.95
09/01/11	28061	Grainger	01-56-56370	Pressure Switch	\$ 74.37
09/01/11	28062	PG&E Hydro	07-00-11204	WPH Transformer Replacement	\$ 1,450,346.74
09/01/11	28063	Raley's	07-60-60256	Employee Gift	\$ 67.69
09/01/11	28064	Reliance Standard Life	01-50-50402	September Employee Life Insurance	\$ 996.23
09/01/11	28065	Ronald Scott	01-00-22200	UB Refund	\$ 153.36
09/01/11	28066	Standard Ins	01-50-50403	September Employee Disability Ins	\$ 2,170.09
09/01/11	28067	Connie Zinn	01-00-22200	UB Refund	\$ 24.62
09/09/11	28068	AT&T	07-60-60251	T-1 Line for September	\$ 402.21
09/09/11	28069	CDW Government	07-68-68100	StarTech Rail Kit	\$ 336.60
09/09/11	28070	Feather River Electric	07-63-63260	Exhaust Fan Motor	\$ 269.39
09/09/11	28071	Home Depot	01-61-61270	Flashlights, Cleaning Supplies	\$ 163.80
09/09/11	28072	Oroville Cable	07-63-63201	Safety Glasses, Tank Rent	\$ 316.08
09/09/11	28073	PG&E	07-66-66250	August Services	\$ 3,816.42
09/09/11	28074	Riebes Auto Parts	07-66-66150	Misc Vehicle and Shop Supplies	\$ 428.68
09/09/11	28075	Staples	07-60-60106	Ink Cartridges, Calculator Paper, Folders	\$ 170.67
09/09/11	28076	Wal-Mart	07-63-63100	Bottled Water, Storage Bags	\$ 127.08
09/12/11	28077	ADP	07-60-60201	PR Processing PE 8/20/11	\$ 483.94
09/12/11	28078	A-1 Appliance	01-53-53260	MRTF Air Conditioner	\$ 214.45
09/12/11	28079	ACWA Benefits	01-50-50400	October Employee Vision & Dental	\$ 7,629.46
09/12/11	28080	AFLAC	01-00-22915	Employee Supplemental Ins PR 8/26 & 9/9/11	\$ 343.68
09/12/11	28081	AT&T	01-50-50251	September Local Statement	\$ 428.25
09/12/11	28082	AT&T Long Distance	07-60-60251	September Long Distance Statement	\$ 191.20
09/12/11	28083	AT&T Mobility	01-50-50251	September Cell Phone Statement	\$ 566.92
09/12/11	28084	CalPERS	01-50-50413	Employee Retirement PR 9/9/11	\$ 40,989.19
09/12/11	28085	CA Dept of Child Support	01-00-15224	Employee Judgement PR 9/9/11	\$ 270.83
09/12/11	28086	Comsco	01-53-53260	Electrical Supplies	\$ 250.36
09/12/11	28087	Home Depot	01-56-56100	Misc. Shop & Cleaning Supplies	\$ 60.59
09/12/11	28088	Marathon Business Forms	01-50-50106	Laser Check Stock	\$ 234.66
09/12/11	28089	Oroville Cable	01-56-56100	Welding Supplies, Battery, Cables	\$ 681.53
09/12/11	28090	SCOR	01-53-53260	Distilled Water and Lab Testing	\$ 41.09
09/12/11	28091	Staples	07-67-67106	Digital Camera, Memory Chip	\$ 278.82
09/12/11	28092	State Street Bank	01-00-22908	Employee 457 Contributions	\$ 321.19
09/12/11	28093	Tehama Tire Service	01-56-56150	Tires & Installation	\$ 538.84
09/12/11	28094	Tractor Supply	01-54-54104	8 ft Gate	\$ 64.34
09/12/11	28095	Wal Mart	01-53-53260	Misc. Shop & Cleaning Supplies	\$ 177.57
09/14/11	28086	Void - Comsco			\$ (250.36)
09/14/11	28096	Consolidated Freight	01-53-53260	Electrical Wire	\$ 250.36
09/27/11	28097-28127	August Warrants			
09/27/11	28128 - 28177	August Warrants			
09/27/11	28131	VOID - from August Warrants		AWWA invoice paid with VISA	\$ (265.00)
09/23/11	28178	ADP	01-50-50201	PR Processing PE 9/3/11	\$ 446.19
09/23/11	28179	ACWA/JPIA	01-00-14401	General Liability 10/2011 - 10/2012	\$ 123,487.00
09/23/11	28180	AT&T	07-60-60251	September Internet Services	\$ 743.32
09/23/11	28181	AT&T	01-53-53251	September Local Statement	\$ 1,370.95
09/23/11	28182	AT&T	01-50-50251	September Circuit Statement	\$ 262.92
09/23/11	28183	AT&T Long Distance	01-53-53251	September Statement	\$ 46.25
09/23/11	28184	AWWA - CA/NV	01-53-53408	AWWA Fall Conference	\$ 1,495.00
09/23/11	28185	CalPERS	01-50-50413	Employee Retirement PR 9/23/11	\$ 41,206.83
09/23/11	28186	CA Dept Child Support	01-00-15224	Employee Judgement PR 9/23/11	\$ 270.83
09/23/11	28187	Chadbourne Office Supply	01-50-50106	Misc Supplies	\$ 33.99
09/23/11	28188	Home Depot	01-56-56370	Cleaning Supplies	\$ 138.68
09/23/11	28189	IBEW #1245	01-00-25207	October Members Dues	\$ 4,530.90
09/23/11	28190	Knife River Const	01-54-54104	Concrete Sand	\$ 490.25
09/23/11	28191	Mid Valley Title	01-00-22600	JO Refund	\$ 160.57
09/23/11	28192	Nedelkow Reo	01-00-22600	JO Refund	\$ 215.35
09/23/11	28193	Newark	01-53-53260	Cable	\$ 494.38
09/23/11	28194	Oroville Cable	01-56-56150	Brake Shoes, Hyd Hose	\$ 132.40
09/23/11	28195	Oroville Mercury Register	01-50-50225	Subscription Renewal	\$ 192.82
09/23/11	28196	PG&E Oroville	01-54-54250	September Statement	\$ 6,212.51
09/23/11	28197	Ellen Pack	01-00-22200	UB Refund	\$ 100.00
09/23/11	28198	Chris Rutledge	07-60-60350	Goishi - Retirement Dinner	\$ 99.00
09/23/11	28199	Sprint	01-54-54251	September on-call Cell Phone Statement	\$ 66.94
09/23/11	28200	Staples	01-53-53100	Laser Priter, Hard Drives	\$ 1,057.32
09/23/11	28201	State Street Bank	01-00-22908	Employee 457 Contributions PR 9/23/11	\$ 321.19
09/23/11	28202	US Postal Service	01-50-50114	Stamped Envelopes	\$ 2,632.60
09/23/11	28203	U.S. Bank VISA	01-50-50350	Business Meetings	\$ 67.89
09/23/11	28204	U.S. Bank Equipment Finance	01-50-50201	Copier Lease	\$ 487.12

South Feather Water and Power Agency
Miscellaneous Checks, August, 2011

09/23/11	28205	U.S. Bank VISA	07-60-60256	Google Earth Renewal, Workshop Supplies	\$ 1,603.07
09/23/11	28206	US Bank N.A.	01-00-21414	Debt Service Payment	\$ 144,375.00
09/23/11	28207	Wal-Mart	01-56-56100	Cleaning, Shop Supplies	\$ 78.31
09/22/11	28062	Void Lost PG&E check			\$ (1,450,346.74)
09/23/11	28208	PG&E - Hydro	07-00-11204	WPH Transformer Replacement 50% Share	\$ 1,450,346.74
09/23/11	28209	AT&T	07-60-60251	Circuit Statement	\$ 262.92
09/23/11	28210	AT&T	07-66-66251	September Local Service Statement	\$ 926.86
09/23/11	28211	B of A Bank Card	07-60-60350	ASDS Membership, WECC Webinar	\$ 238.99
09/23/11	28212	Comsco	07-63-63100	Paper Towels	\$ 93.31
09/23/11	28213	HDR Engineering	07-00-11204	LGV Tunnel, KRPH Repairs	\$ 2,732.96
09/23/11	28214	Herguth Laboratories	01-61-61201	KPH Oil Samples	\$ 321.84
09/23/11	28215	Home Depot	07-66-66370	Door Knob, Dead Bolt	\$ 102.12
09/23/11	28216	Manta Test system	07-63-63270	Signal Processing Feature	\$ 1,095.00
09/23/11	28217	McMaster Carr Supply	07-63-63260	Nozzle, Tube, Airgun	\$ 413.96
09/23/11	28218	Mt Shasta Spring Water	07-66-66100	Bottled Water	\$ 117.20
09/23/11	28219	Oroville Cable	07-63-63100	Welding Supplies	\$ 202.93
09/23/11	28220	Riebes Auto Parts	07-63-63100	Sensor, air Hose and Fittings	\$ 169.29
09/23/11	28221	Staples	07-60-60100	Stamp, Notebooks, Binders	\$ 90.88
09/23/11	28222	Wal Mart	07-63-63100	Bottled Water, Batteries, Trash Bags	\$ 70.56
09/29/11	28223	B of A Bank Card	07-64-64408	Hydra Training, Business Meetings	\$ 474.26
09/29/11	28224	CA Franchise Tax Brd	01-00-15224	Employee Judgement PR 9/23/11	\$ 130.00
09/29/11	28225	Cal PERS	01-50-50400	October Empl Health Ins.	\$ 97,818.56
09/30/11	28137	VOID		VOID duplicate - Builders Supply	\$ (436.13)
				Total September, 2011 Checks	\$ 2,047,893.62

**SOUTH FEATHER WATER AND POWER
PAYROLL
SEPTEMBER 2011**

PAYROLL DEF/COMP WIRES P/E 9/3/11	\$	5,657.80
PAYROLL DEF/COMP WIRES P/E 9/17/11	\$	5,587.46
PAYROLL STATE & FED TAXES	\$	122,326.96
PAYROLL NET	\$	252,115.06
TOTAL SEPTEMBER, 2011	\$	385,687.28

POWER DIVISION
September, 2011 Power Division Warrants

<u>Date</u>	<u>Check #</u>	<u>Vendor Name</u>	<u>Account</u>	<u>General Description</u>	<u>Amount</u>
10/25/11	66785	Aviat U.S., Inc.	06-00-11202/2010-0822	Freight Charge for Materials delivered	\$ 32.21
10/25/11	66786	Butte Co.-Neal Road Landfill	06-00-11204/2010-0820	Disposal Fee	\$ 28.96
10/25/11	68787	GDA Engineering Surveying	06-00-11204/2010-0828	Lost Cr. Dam Topo Survey	\$ 3,665.00
10/25/11	68788	Martin Crane & Rigging	06-00-11204/2010-0820	Boom Truck Service at Sanborn Mine	\$ 5,945.00
10/25/11	68789	Recology Yuba-Sutter	06-00-11204/2010-0824	Garbage Svc for Sept, 2011	\$ 182.18
10/25/11	68790	Teichert Construction	06-00-11204/2010-0824	Sly Cr. Dam Crest Modification project	\$ 89,151.79
10/25/11	68791	Teichert Construction/Bank of	06-00-11204/2010-0824	Sly Cr. Dam Crest Modification proj - Escrow	\$ 9,905.76

Total September, 2011 Power Division Warrants \$ 108,910.90

POWER DIVISION
Miscellaneous Checks and Expenses September 2011

<u>Date</u>	<u>Check #</u>	<u>Name or Company or Person</u>	<u>Account</u>	<u>Description</u>	<u>Amount</u>
09/09/11	66769	Aviat US	06-00-11202/2010-0822	Radio Upgrade	\$ 5,148.00
09/09/11	66770	Martin Crane	06-00-11202/2010-0822	Crane Service FPH Microwave	\$ 1,410.00
09/09/11	66771	Morgan Tree Service	06-00-11204/2010-0820	Tree Service SF & SPH Microwave	\$ 2,000.00
09/09/11	66772	Obermeyer Hydro	06-00-11202/2010-0824	Spill Gate Material	\$ 144,074.30
09/09/11	66773	Peninsula Engineering	06-00-11202/2010-0820	Material for SPH Microwave	\$ 74,060.45
09/09/11	66774	Teichert Construction	06-00-11204/2010-0824	Sly Crk Dam Crest Modification project	\$ 196,422.30
09/09/11	66775	Teichert Construction/Bank of the	06-00-11204/2010-0824	Sly Crk Dam Crest Mod Project, Retention	\$ 21,824.70
09/23/11	66784	PG&E-Special	06-00-11204/2009-0811	FPH TSV Replacement-Shveyd	\$ 330.71

Total September, 2011 Power Division Miscellaneous Checks and Expenses \$ 445,270.46



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Kathy Zancanella, Power Division Manager

DATE: October 18, 2011

RE: General Information (regarding matters not scheduled on agenda)
10/25/11 Board of Directors Meeting

Operations

Attached is the Power Division Summary Report for September 2011. Rainfall to date at Forbestown Headquarters totals 5.01 inches. Flows from Little Grass Valley Reservoir were set at 400 cfs on September 30 and will continue through October 26, at which time they will be ramped down to 30 cfs.

Little Grass Valley Dam Access Tunnel

Work in the access tunnel was stopped on September 28 when flows were ramped up for the fall drawdown of Little Grass Valley reservoir and the spill gates were opened per the Division of Dam Safety certificate. Most of the work was completed at that time, although Neil's Controlled Blasting estimated that they have about two and a half more days of shotcreting to do. They will return to the job during the week of October 31 to complete the project when the flows are returned to minimum. They were unable to meet the originally planned schedule due to difficulty in getting a certified "nozzleman" with the necessary experience for the type of shotcrete placement they were doing.

Kelly Ridge Powerhouse Outage

The annual outage on Kelly Ridge Powerhouse began October 3 and was scheduled to end October 14. However, as of the time this report was written, the outage was extended to October 21 due to the crew finding during testing a field pole piece with low voltage readings, compared to the other pole pieces. Some additional cleaning and testing was done, and vibration monitoring will be installed prior to returning the unit to service until a longer outage can be taken and the rotor pulled and the pole piece sent out for repairs. The other planned work went as expected, and HDR Engineering inspected the turbine shutoff valve in preparation for making a recommendation as to whether the valve can be rehabilitated or should be replaced. Charlie McCauley from the Water Division provided assistance on the outage.

Miners Ranch Canal Outage

The Miners Ranch Canal outage ran concurrently with the Kelly Ridge outage. In addition to the normal cleaning and patching of leaks, two other projects were accomplished. Syblon Reid made repairs to two sections of the gunite walls, removing the old walls, placing wire mesh and new shotcrete and expansion joints along the banks (the photos are by John Davis). A California Dept. of Corrections crew, under the supervision of the California Dept. of Forestry and Fire Protection, removed brush from the banks above the canal. New Water Division employee, Cory Nevers, assisted with this year's canal outage.



Microwave Upgrade

Brian Howerton and a small army of technicians from PG&E, Global Tower, Peninsula Engineering, and Martin Crane Services completed the cutover of the Sly Creek microwave path. This was the most complex of the paths as it goes from the powerhouse to a set of dishes along the road to Sly Creek Dam, to an active repeater site near Sanborn Mine on Mooreville Ridge, and to Sunset Hill. They began the cutover just before the storms of October 4-6 hit, and completed the work in two days despite some



adverse conditions. The final path to be upgraded will be the one from Kelly Ridge Powerhouse to a passive repeater on Monte De Oro to Sunset Hill. The primary challenge for this cutover will be access to the reflector on Monte De Oro. While the Agency owns the property where the repeater stands, there is no road access except for a "cattle road" across property owned by others. (Note: while the photo is of the cutover of the Woodleaf path, it illustrates the physical challenges of this type of work.)

Sly Creek Dam Crest Modification

Work in the spillway is continuing, with the installation and testing of the rock anchors and placement of concrete for the abutment walls and ogee crest. Syblon Reid will work as a subcontractor to Teichert when they begin assembly of the new spill gate the week of October 31. The new bridge deck will be installed after the air bladders are set (tentatively scheduled November 5-6), and assembly of the gate panels will occur with the bridge in place. Teichert will then complete building the road approaches on either side of the bridge. All of the work on the spillway will be completed this year with the exception of the road paving; that work will be finished when temperatures allow for paving in the spring.



Lost Creek Dam Modifications Project - Permit Process

The Preliminary Supporting Design Report for Lost Creek Dam was submitted to FERC (Washington, DC and San Francisco) on September 8 on CDs, since the reports and drawings resulted in over 1,100 pages of material. The FERC San Francisco staff subsequently requested a paper copy of everything, which was supplied to them by AECOM. On October 4, the Agency formally requested the start of consultation under the Historic Properties regulations, and requested that FERC delegate its Section 106 authority to the Agency so that the process can be moved forward. The next round of regulatory activity will involve seeking the various permits and agreements from the US Army Corps of Engineers, State Water Resources Control Board, and California Dept. of Fish and Game.

**SOUTH FEATHER WATER AND POWER
SOUTH FEATHER POWER PROJECT
2011
Reservoir and Stream Operations**

	RESERVOIR ELEVATIONS				STREAM RELEASES			
	Little Grass Valley		Sly Creek		Release to SFFR Below LGV	Release to SFFR Below Diversions	Release to Lost Creek	Release to Slate Creek
Maximum Elevation	5,045.50	Feet	3,524.00	Feet				
End of Month Conditions	Restriction from 5047.00 feet for PMF		Restriction from 3,530.00 feet for construction					
January	5,016.23	Feet	3,505.38	Feet	9.90 cfs	6.50 cfs	6.30 cfs	17.0 cfs
February	5,020.80	Feet	3,504.87	Feet	11.30 cfs	6.50 cfs	6.30 cfs	17.0 cfs
March	5,030.12	Feet	3,496.91	Feet	13.20 cfs	6.60 cfs	345.00 cfs	17.3 cfs
April	5,035.35	Feet	3,515.73	Feet	365.00 cfs	1157.00 cfs	938.00 cfs	682.0 cfs
May	5,035.25	Feet	3,516.56	Feet	293.00 cfs	567.00 cfs	498.00 cfs	17.0 cfs
June	5,037.34	Feet	3,500.46	Feet	49.70 cfs	214.00 cfs	262.00 cfs	384.0 cfs
July	5,039.52	Feet	3,476.06	Feet	11.70 cfs	11.00 cfs	13.20 cfs	11.7 cfs
August	5,034.88	Feet	3,455.98	Feet	33.00 cfs	10.80 cfs	9.10 cfs	18.0 cfs
September	5,033.24	Feet	3,421.19	Feet	345.00 cfs	11.00 cfs	8.80 cfs	14.1 cfs
October		Feet		Feet	cfs	cfs	cfs	cfs
November		Feet		Feet	cfs	cfs	cfs	cfs
December		Feet		Feet	cfs	cfs	cfs	cfs

Powerhouse Operations

	Sly Creek		Woodleaf		Forbestown		Kelly Ridge		Energy Revenue
January	5,629.300	MWH	38,433.010	MWH	13,733.250	MWH	7,706.141	MWH	\$2,535,764.57
February	4,191.700	MWH	29,546.320	MWH	0.000	MWH	6,874.315	MWH	\$1,733,777.31
March	6,810.400	MWH	30,685.120	MWH	11,094.030	MWH	7,584.016	MWH	\$1,707,756.59
April	8,234.700	MWH	25,497.950	MWH	25,590.900	MWH	7,338.599	MWH	\$1,924,452.36
May	9,152.700	MWH	32,832.450	MWH	23,978.070	MWH	7,380.578	MWH	\$1,922,752.88
June	8,276.100	MWH	38,750.670	MWH	26,326.170	MWH	6,904.822	MWH	\$2,313,650.64
July	3,579.900	MWH	20,939.110	MWH	13,186.080	MWH	6,600.680	MWH	\$1,941,642.18
August	2,622.700	MWH	20,369.370	MWH	11,325.700	MWH	6,410.803	MWH	\$1,906,123.77
September	1,864.400	MWH	16,751.390	MWH	9,042.310	MWH	7,220.791	MWH	\$1,678,423.54
October		MWH		MWH		MWH		MWH	
November		MWH		MWH		MWH		MWH	
December		MWH		MWH		MWH		MWH	
	50,361.900	MWH	253,805.390	MWH	134,276.510	MWH	64,020.745	MWH	\$17,664,343.84



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Steve Wong, Finance Division Manager

DATE: October 19, 2011

RE: General Information (regarding matters not scheduled on the agenda)
10/25/11 Board of Directors Meeting

South Feather Relicensing Consulting Services

No invoices have been submitted this month for relicensing consulting services. Total relicensing payments to-date, to HDR, the Agency's consultant for relicensing, amount to \$5,108,868 for services rendered through June 25, 2011. The budget balance remaining under this agreement is \$41,893.

Proposition 218 Notice Questions

Finance Division employees have received and responded to phone calls and counter traffic asking about the proposed change in domestic water rates. For the most part the staff's verbal explanations and clarifications have answered all of the questions. Spreadsheet templates have been prepared to project the impact of the rate changes for specific customers. The biggest complaint seems to be from customers/locations receiving multiple notices.

CalPERS Computer Conversion

From all of the public notices, it appears the major computer conversion at CalPERS last month has been successful. The Agency/Business Partner communications and file transactions have been delayed and resolutions and responses on questions have been difficult, frustrating and slow. On one phone call, a two-hour hold time was experienced. However, confirmation of all Agency submittals has been received and everything seems to point to an improved overall process and accessibility of relevant information.

2012 Budget

Work on the 2012 Annual Budget has continued throughout the Agency. It is anticipated that a 2012 Proposed Budget will be completed and distributed by November 10 for a Budget and Finance Committee meeting the week of November 14 (Directors Edwards and Hunter).

South Feather Water & Power
General Fund Financial Report
October 25, 2011 Board Meeting

<u>ACCOUNT</u>	<u>DESCRIPTION</u>	<u>2008 ACTUAL</u>	<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2011 ESTIMATED</u>	<u>2011 ACTUAL THRU 9/30/11</u>	<u>% RECEIVED</u>
REVENUE:								
Water Sales Rev								
41100	Domestic Water	2,580,748	2,444,993	2,354,324	2,300,000	2,275,000	1,767,795	77%
41400	Irrigation Water	252,037	229,598	223,461	200,000	216,300	169,035	85%
41300	Surplus Water (PG&E)	159,694	192,914	65,019	0	0	0	0%
41502	Surplus Water (Contract)	1,650,000	1,000	0	0	0	0	0%
	Sub-Total Water Sales Rev	4,642,479	2,868,505	2,642,804	2,500,000	2,491,300	1,936,830	77%
Power Revenue								
41305	Sly Cr Pwr Generation	148,375	225,455	1,068,090	1,600,000	2,345,000	1,786,117	112%
41450	Woodleaf TWD	23,443	63,990	20,188	0	0	0	0%
41500	Surplus Wtr	368,000	368,000	368,000	0	110,000	100,055	0%
41600	Sly Creek MOU	77,200	77,200	77,200	0	0	0	0%
	Sub-Total Power Rev	617,018	734,645	1,533,478	1,600,000	2,455,000	1,886,172	118%
Water Serv Chgs								
42301	Sundry Billing (Job Orders)	152,930	17,108	3,381	5,000	15,000	13,596	272%
42303	Inspection Fees	2,580	0	0	0	3,900	3,887	0%
42341	System Cap Chg (MRTP)	237,759	28,490	0	0	0	0	0%
	Other Water Serv Charges	45,290	100,248	70,323	30,000	55,000	46,594	155%
	Sub-Total Water Serv Chgs	438,559	145,846	73,704	35,000	73,900	64,077	183%
Non-Oper Revenue								
49202	Int-Time Certificates	46,868	18,178	9,840	10,000	0	9,378	94%
49250	Int-Misc	24,396	18,323	23,981	5,000	5,000	31,009	620%
49311	Property Taxes	529,166	517,253	513,770	475,000	520,000	231,303	49%
49312	ERAF Surcharge	(4)	4	0	0	0	0	0%
49405	ACWA/JPIA RPA	1,410	0	0	0	56,761	56,761	100%
49500	Revenue, PG&E	93,959	0	0	0	236,081	236,081	100%
49625	Back Flow Installation	34,527	34,725	48,017	30,000	37,500	35,208	117%
49630	Back Flow Inspection	75,948	78,275	81,264	80,000	81,500	63,047	79%
49910	PG&E (SFPP)	10,000	7,500	5,000	0	0	0	0%
49912	04 Refinancing, Excess Funds	266,163	293,464	890,857	0	0	0	0%
49932	North Yuba Water District	12,759	33,977	(10,006)	0	0	0	0%
	Other Non-Oper Rev	47,205	56,380	55,809	1,000	27,500	20,616	2062%
	Transfer In From 1995 COP Res Fd		686,924	0	0	0	0	0%
	Sub-Total Non-Oper Rev	1,142,397	1,745,003	1,618,532	601,000	964,342	683,403	114%
TOTAL GENERAL FUND REVENUE		6,840,453	5,493,999	5,868,518	4,736,000	5,984,542	4,570,482	97%

South Feather Water & Power
General Fund Financial Report
October 25, 2011 Board Meeting

<u>ACCOUNT</u>	<u>DESCRIPTION</u>	<u>2008 ACTUAL</u>	<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2011 ESTIMATED</u>	<u>2011 ACTUAL THRU 9/30/11</u>	<u>% EXPENDED</u>
EXPENSES:								
General Administration, 1-50								
	Salaries & Benefits	1,763,255	953,257	890,656	990,296	940,600	629,790	64%
	Supplies	26,028	17,299	22,043	20,200	22,000	19,628	97%
	Services	172,800	194,152	193,970	187,000	234,593	80,474	43%
	Utilities	21,367	31,722	43,137	43,000	43,000	29,365	68%
	Fuel, Oil, Auto	1,341	215	44	500	100	43	9%
	Training/Dues	57,893	62,668	62,809	74,500	61,500	24,042	32%
	Total General Admin, 1-50	2,042,684	1,259,313	1,212,659	1,315,496	1,301,793	783,342	60%
Water Source, 1-51								
	Source of Supply	13,757	14,113	14,113	14,500	14,113	14,113	97%
	Total Water Source, 1-51	13,757	14,113	14,113	14,500	14,113	14,113	97%
Environ Health & Safety, 1-52								
	Salaries & Benefits	33,743	68,042	75,705	71,778	81,900	57,892	81%
	Supplies	3,413	6,154	6,139	8,000	7,000	4,153	52%
	Services	3,732	11,854	4,757	11,000	13,500	6,197	56%
	Utilities	0	0	0	0	0	0	0%
	Fuel, Oil, Auto	0	0	92	0	100	72	0%
	Training/Dues	5,730	6,760	9,083	13,200	13,200	3,606	27%
	Total EH&S, 1-52	46,618	92,810	95,776	103,978	115,700	71,920	69%
Water Treatment, 1-53								
	Salaries & Benefits	372,884	593,453	670,542	726,168	711,100	508,880	70%
	Supplies	64,215	75,216	58,788	85,000	82,500	61,254	72%
	Services	26,048	14,288	23,934	19,000	18,500	12,792	67%
	Utilities	37,465	42,342	25,762	40,000	27,500	21,107	53%
	Fuel, Oil, Auto	654	23	55	500	100	15	3%
	Training/Dues	366	1,064	5,592	7,500	7,500	2,048	27%
	Total Water Treat, 1-53	501,632	726,386	784,673	878,168	847,200	606,096	69%
Transmission & Distribution, 1-54								
	Salaries & Benefits	773,635	1,483,248	1,521,604	1,595,641	1,703,580	1,208,046	76%
	Supplies	142,118	201,553	199,261	187,500	103,000	53,914	29%
	Services	1,408	6,170	3,643	6,300	6,500	2,890	46%
	Utilities	25,201	23,821	23,544	29,500	29,500	18,005	61%
	Fuel, Oil, Auto	1,143	4	37	1,000	100	15	2%
	Training/Dues	0	0	1,251	1,000	1,000	601	60%
	Total Trans & Dist, 1-54	943,505	1,714,796	1,749,340	1,820,941	1,843,680	1,283,471	70%

South Feather Water & Power
General Fund Financial Report
October 25, 2011 Board Meeting

<u>ACCOUNT</u>	<u>DESCRIPTION</u>	<u>2008 ACTUAL</u>	<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2011 ESTIMATED</u>	<u>2011 ACTUAL THRU 9/30/11</u>	<u>% EXPENDED</u>
EXPENSES (CON'T):								
Customer Accounts, 1-55								
	Salaries & Benefits	283,304	306,180	297,141	304,925	332,700	239,416	79%
	Supplies	61,767	56,999	57,453	66,000	77,500	64,301	97%
	Services	0	0	0	0	500	350	100%
	Utilities	0	0	0	0	0	0	0%
	Fuel, Oil, Auto	0	0	0	0	0	0	0%
	Training/Dues	0	230	750	1,100	1,100	0	0%
	Total Cust Accts, 1-55	345,071	363,409	355,344	372,025	411,800	304,067	82%
General Plant & Shop, 1-56								
	Salaries & Benefits	211,898	216,247	226,263	231,022	201,700	143,545	62%
	Supplies	20,883	12,954	14,303	16,500	19,500	13,648	83%
	Services	4,229	6,221	2,487	10,000	7,500	3,445	34%
	Utilities	20,956	20,486	21,082	26,000	27,000	15,919	61%
	Fuel, Oil, Auto	118,211	95,412	107,590	100,000	115,500	81,616	82%
	Training/Dues	0	0	0	0	300	265	0%
	Total Gen Plant & Shop, 1-56	376,177	351,320	371,725	383,522	371,500	258,438	67%
Sundry & Expense Credits, 1-57								
	Salaries & Benefits	41,957	16,927	16,419	26,400	30,000	22,729	86%
	Supplies	(96,980)	(113,390)	(90,406)	(71,750)	(2,000)	(1,653)	2%
	Services	(63,144)	(60,470)	3,774	(5,000)	(5,000)	25,547	-511%
	Utilities	0	0	0	0	0	0	0%
	Fuel, Oil, Auto	0	0	0	0	0	0	0%
	Training/Dues	0	0	0	0	0	0	0%
	Total Sundry, 1-57	(118,167)	(156,933)	(70,213)	(50,350)	23,000	46,623	-93%
Information Technology, 1-58								
	Salaries & Benefits	44,497	96,555	172,476	197,354	204,100	146,044	74%
	Supplies	16,012	17,394	17,072	35,700	26,000	23,149	65%
	Services	8,605	9,482	7,598	31,000	31,000	22,691	73%
	Utilities	0	100	1,790	2,500	3,000	2,155	86%
	Fuel, Oil, Auto	0	0	0	0	0	0	0%
	Training/Dues	25,096	20,681	22,967	31,100	31,100	22,904	74%
	Total Info Tech, 1-58	94,210	144,212	221,903	297,654	295,200	216,943	73%
Sly Creek Power Plant, 1-61								
	Salaries & Benefits	0	0	155,971	473,770	281,025	140,311	30%
	Supplies	0	0	5,922	47,250	21,800	10,149	21%
	Services	0	0	30,151	77,000	43,000	32,508	42%
	Utilities	0	0	186	8,000	6,650	4,315	54%
	Fuel, Oil, Auto	0	0	34	0	30	30	0%
	Training/Dues	0	0	0	3,250	3,700	3,693	114%
	Total Sly Creek Power Plant, 1-61	0	0	192,264	609,270	356,205	191,006	31%
	TOTAL OPERATING EXPENSES	4,245,487	4,509,426	4,927,584	5,745,204	5,580,191	3,776,019	66%
SUB-TOTAL, REVENUES OVER OPER EXP		2,594,966	984,573	940,934	(1,009,204)	404,351	794,463	

South Feather Water & Power
General Fund Financial Report
October 25, 2011 Board Meeting

<u>ACCOUNT</u>	<u>DESCRIPTION</u>	<u>2008 ACTUAL</u>	<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2011 ESTIMATED</u>	<u>2011 ACTUAL THRU 9/30/11</u>
SUB-TOTAL, REVENUES OVER OPER EXP		2,594,966	984,573	940,934	(1,009,204)	404,351	794,463
Non-Operating, 1-59							
Supplies & Servces		(122,779)	1,546	210	11,402	1,000	0
Interest		302,220	235,042	217,187	205,228	205,245	106,891
Principal		746,536	787,113	242,718	253,370	349,106	239,106
Non-Operating, 1-59		925,977	1,023,701	460,115	470,000	555,351	345,997
Available for Capital Outlay Expenses and Relicensing		1,668,989	(39,128)	480,819	(1,479,204)	(151,000)	448,466
Other Non-Operating Expenses:							
Relicensing		242,483	157,866	82,129	0	60,000	50,357
Capitla Outlay:							
WT-Minor Projects (2011-0053)					10,000	10,000	0
TD-Minor Projects (2011-0054)					25,000	25,000	0
GP-Vehicle Replacements (2011-0056)					160,000	165,000	164,276
GP-Minor Projects (2011-0057)					10,000	10,000	0
IT-Minor Projects (2011-0058)					15,000	15,000	6,207
WT-Modernize MRTP Telemetry Operation (2010-0094)					10,000	10,000	0
WT-Upgrade MRTP Security (2010-0095)					13,500	8,500	8,188
Springbrook v.7 (2010-0103)					30,000	27,500	25,516
System Data & Visualization Disem (2010-0104)					15,000	15,000	0
Sly-Sunset MW Path (2010-0820)					375,000	400,000	253,792
Sly/Turbine Brg Cooling Coil (2011-0833)					10,000	10,000	0
EHS-Capital (2011-0834)					2,500	2,500	0
Total Capital Outlay		151,068	173,883	216,891	676,000	698,500	457,979
Transfers:							
SFPP Jt Facil Oper Fd-Minimum Payment				0	354,500	354,500	354,500
SFPP Jt Facil Oper Fd-Relicensing				0	560,000	0	0
SFPP Jt Facil Oper Fd-Overhead				0	550,000	420,239	420,239
MRTP System Capacity Fund				(1,666,977)	0	0	0
Net Non-Operating and Transfers		(393,551)	(331,749)	(1,666,977)	788,500	16,239	266,403
NET REVENUE OVER EXPENSES		1,275,438	(370,877)	(1,485,178)	(690,704)	(134,761)	714,869
Beginning Balance		929,421	2,204,859	1,833,982	1,251,957	348,804	348,804
Ending Balance		2,204,859	1,833,982	348,804	561,253	214,043	1,063,673

SCHEDULE OF CASH AND INVESTMENTS

General Fund Cash and Savings Account	236,072
LAIF	12,093,481
WFB Money Market	1,309,877
Rabobank Money Market	2,007,773
Certificates of Deposit	1,909,082
Raymond James/TCB Fixed Income portfolio	1,981,904
TOTAL CASH & INVESTMENTS AT 9/30/2011	19,538,189

South Feather Water & Power
Joint Facilities Operating Fund Financial Report
October 25, 2011 Board Meeting

<u>ACCOUNT</u>	<u>DESCRIPTION</u>	<u>2011 BUDGET</u>	<u>2011 ESTIMATED</u>	<u>2011 ACTUAL THRU 9/30/11</u>	<u>YTD %</u>
<u>REVENUE:</u>					
41150	Sale of Electricity	17,500,000	21,250,000	14,099,749	81%
41502	Water Sales	130,000	130,000	0	0%
42305	Current Service Charges	0	3,975	3,975	100%
42331	Concession Income	5,000	16,322	16,322	326%
49250	Interest Income	10,000	20,000	0	0%
49321	State of CA, DWR	0	468,000	0	0%
49929	Miscellaneous Income	0	400	343	100%
	Total Revenue	17,645,000	21,888,697	14,120,389	80%
<u>EXPENSES:</u>					
JFOF Administration, 7-60					
	Salaries & Benefits	499,430	604,000	417,883	84%
	Supplies	8,500	9,420	7,114	84%
	Services	557,500	607,450	471,794	85%
	Utilities	5,000	45,300	44,569	891%
	Fuel, Oil, Auto	1,000	500	358	36%
	Training/Dues	29,500	27,580	27,320	93%
	Total JFOF Administration, 7-60	1,100,930	1,294,250	969,038	88%
Environ Health & Safety, 7-62					
	Salaries & Benefits	67,200	61,000	41,725	62%
	Supplies	33,250	7,100	1,654	5%
	Services	11,500	6,914	5,289	46%
	Utilities	0	0	0	0%
	Fuel, Oil, Auto	0	0	0	0%
	Training/Dues	14,750	4,041	1,066	7%
	Total Environ Health & Safety, 7-62	126,700	79,055	49,734	39%
Power Plant Operations, 7-63					
	Salaries & Benefits	1,395,000	1,847,500	1,367,618	98%
	Supplies	192,000	114,005	81,211	42%
	Services	242,000	79,100	43,111	18%
	Utilities	0	12,700	4,019	0%
	Fuel, Oil, Auto	0	110	74	100%
	Training/Dues	5,000	400	390	8%
	Total Power Plant Operations, 7-63	1,834,000	2,053,815	1,496,423	82%

South Feather Water & Power
Joint Facilities Operating Fund Financial Report
October 25, 2011 Board Meeting

<u>ACCOUNT</u>	<u>DESCRIPTION</u>	<u>2011 BUDGET</u>	<u>2011 ESTIMATED</u>	<u>2011 ACTUAL THRU 9/30/11</u>	<u>YTD %</u>
<u>EXPENSES (CON'T):</u>					
Water Collection, 7-64					
	Salaries & Benefits	425,000	311,000	195,807	46%
	Supplies	111,000	47,600	40,804	37%
	Services	249,000	228,000	214,857	86%
	Utilities	0	5,000	2,837	0%
	Fuel, Oil, Auto	0	625	611	0%
	Training/Dues	0	400	193	0%
	Total Water Collection, 7-64	785,000	592,625	455,109	58%
Campgrounds, 7-65					
	Salaries & Benefits	68,640	56,000	45,065	66%
	Supplies	2,300	3,100	3,050	133%
	Services	12,900	5,000	4,931	38%
	Utilities	300	2,200	2,022	0%
	Fuel, Oil, Auto	0	25	18	0%
	Training/Dues	0	0	0	0%
	Total Campgrounds, 7-65	84,140	66,325	55,086	65%
JFOF Plant & Shop, 7-66					
	Salaries & Benefits	210,000	301,000	221,183	105%
	Supplies	66,000	16,570	15,422	23%
	Services	13,000	8,000	7,164	55%
	Utilities	0	39,500	30,059	100%
	Fuel, Oil, Auto	93,000	123,000	84,880	91%
	Training/Dues	0	0	0	0%
	Total JFOF Plant & Shop, 7-66	382,000	488,070	358,708	94%
Regulatory Compliance, 7-67					
	Salaries & Benefits	70,000	103,500	66,047	94%
	Supplies	10,000	500	411	4%
	Services	10,000	14,500	4,755	48%
	Utilities	0	100	56	0%
	Fuel, Oil, Auto	0	0	0	0%
	Training/Dues	5,000	11,200	10,900	218%
	Total Regulatory Compliance, 7-67	95,000	129,800	82,169	86%
Communications & IT, 7-68					
	Salaries & Benefits	140,000	145,600	102,463	73%
	Supplies	54,000	23,300	12,146	22%
	Services	40,150	12,000	11,218	0%
	Utilities	0	120	13	100%
	Fuel, Oil, Auto	0	0	0	0%
	Training/Dues	5,000	1,200	0	0%
	Total Comm & IT, 7-68	239,150	182,220	125,840	53%
	TOTAL OPERATING EXPENSES	4,646,920	4,886,160	3,592,107	77%
SUB-TOTAL, REVENUES OVER OPER EXP		12,998,080	17,002,537	10,528,282	

South Feather Water & Power
Joint Facilities Operating Fund Financial Report
October 25, 2011 Board Meeting

<u>ACCOUNT</u>	<u>DESCRIPTION</u>	<u>2011 BUDGET</u>	<u>2011 ESTIMATED</u>	<u>2011 ACTUAL THRU 9/30/11</u>
SUB-TOTAL, REVENUES OVER OPER EXP		12,998,080	17,002,537	10,528,282
Other Non-Operating Expenses:				
	North Yuba Water District	(354,500)	(354,500)	(354,500)
	<u>Capital Outlay</u>			
	SFPP Minor Projects (2011-0800)	25,000	25,000	8,469
	SFPP Vehicle Replacements (2011-0815)	35,000	35,000	0
	SFPP Microwave Path Upgrade (2010-0822)	900,000	550,000	369,982
	KPH Trash Rake (2008-0802)	60,000	10,000	1,734
	New License Compliance (2010-0825)	199,000	0	0
	MRC Access Road (2010-0826)	400,000	415,000	410,662
	LGV Access Tunnel Repair (2011-0829)	400,000	400,000	25,436
	WPH Transformer (2011-0830)	1,450,000	1,450,347	1,450,347
	Woodleaf Slide Inspection (2011-0831)	20,000	20,000	0
	KPH Refurbish TSV (2011-0832)	100,000	40,000	628
	EHS Minor Projects (2011-0834)	12,500	12,500	0
	WPH Fab Needle Valves (2011-0835)	112,500	5,000	0
	CT Test Equipment (2011-0836)	22,000	22,000	0
	FPH Batteries & Chargers (2011-0837)	34,640	34,640	33,376
	Manta Test Equipment (2011-0838)	70,000	70,000	0
	MRC Wall Repairs (2011-0839)	106,000	100,000	0
	PMS Server, MW Test (2011-0840)	19,000	19,000	0
	Network Eq/Wtr RTU Upgrade (2011-0841)	70,000	70,000	38,413
	MR Tunnel ROV Inspection (2011-0842)	30,000	30,000	3,989
	Total Capital Outlay	4,065,640	3,308,487	2,343,036
Transfers:				
	SFPP Jt Facil Oper Fd-Minimum Payment	(354,500)	(354,500)	(354,500)
	SFPP Jt Facil Oper Fd-Relicensing	(560,000)	0	0
	SFPP Jt Facil Oper Fd-Overhead	(550,000)	(420,239)	(420,239)
Net Non-Operating and Transfers		(5,884,640)	(4,437,726)	(3,472,275)
NET REVENUE OVER EXPENSES		7,113,440	12,564,811	7,056,007
Beginning Balance		5,119,500	8,242,756	8,242,756
Loan Payable to PG&E (thru 12/31/2010)			(3,647,167)	
Ending Balance		12,232,940	17,160,400	15,298,763

NOTE: Per NYWD agreement, 15% working capital reserve (\$800,000) and \$15,000,000 contingency reserve is required. Repayment to PG&E in 2015 for loan for dam crest modification projects estimated to be \$17,000,000.

South Feather Water & Power
Irrigation Water Accounting
For The Period Of 1/1/2011 - 9/30/2011

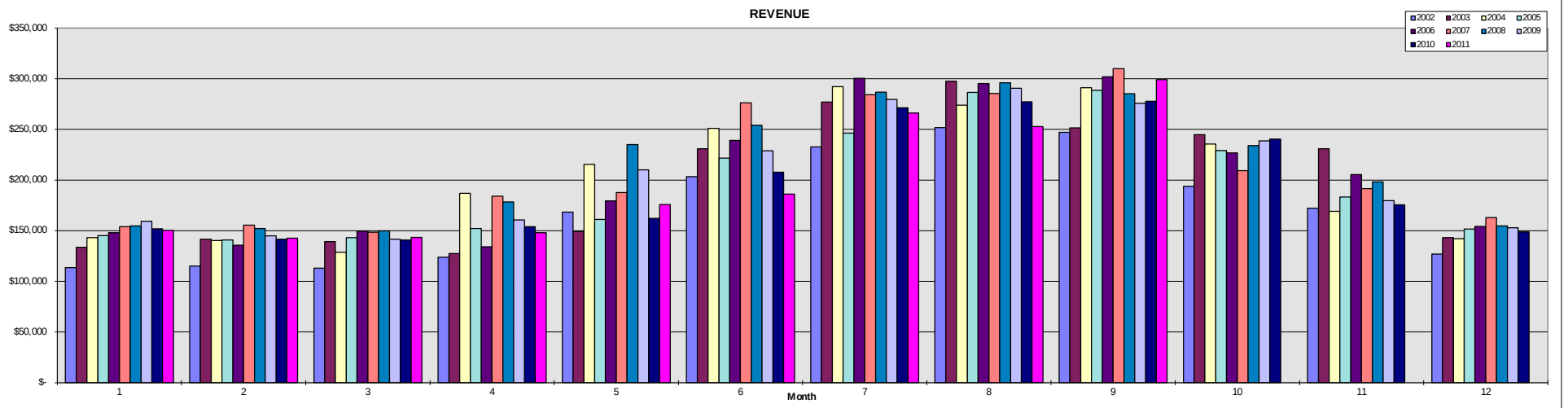
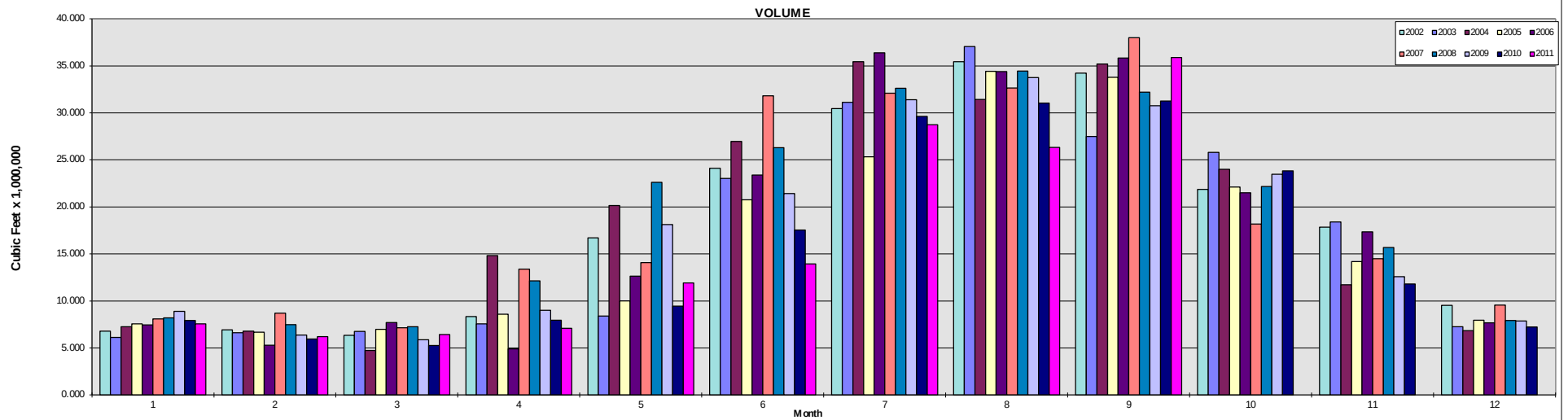
<u>DESCRIPTION</u>	<u>ACCT CODE</u>	<u>REVENUE</u>	<u>EXPENSES</u>
Palermo Canal	2011-504	\$ 65,861	\$ 98,701
Bangor Canal	2011-505	\$ 71,073	\$ 50,607
Forbestown Canal	2011-506	\$ 12,097	\$ 104,316
Community Line	2011-507	\$ 20,004	\$ 16,424
Totals		\$ 169,035	\$ 270,048

South Feather Water & Power
System Capacity Fund Financial Report
October 25, 2011 Board Meeting

<u>DESCRIPTION</u>	<u>ACCOUNT</u>	2011 <u>BUDGET</u>	2011 ACTUAL <u>THRU 9/30/11</u>
<u>REVENUE:</u>			
System Capacity Charges	42341	11,421	22,842
Interest Income	49250	1,000	0
Total Revenue		12,421	22,842
<u>CAPITAL OUTLAY:</u>			
ID 2 Floating Liner	2010-0097	250,000	0
Filters	2010-0105	75,000	75,880
Total Expenses		325,000	75,880
Net Revenue over Expenses		(312,579)	(53,038)
Beginning Balance		1,678,398	1,678,398
Ending Balance		1,365,819	1,625,360

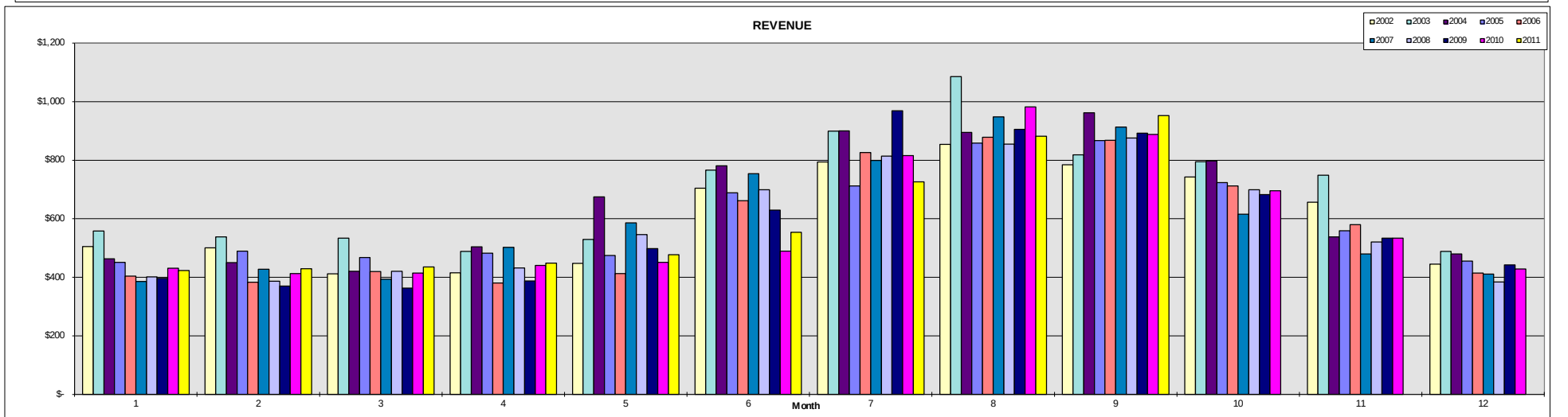
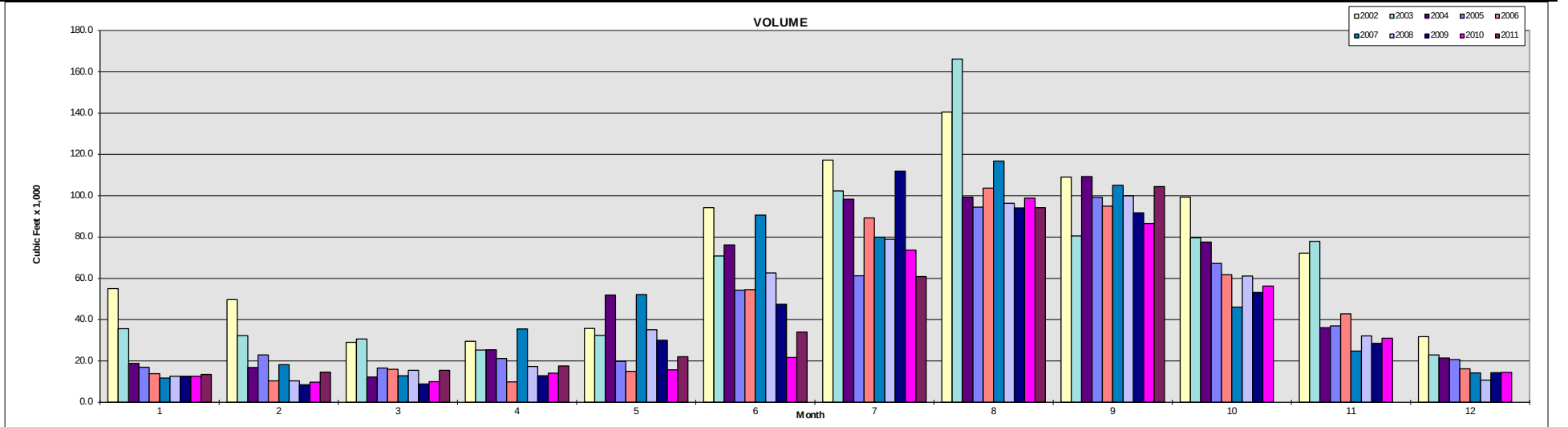
MINERS RANCH TREATMENT PLANT CONSUMPTION: 2002 - 2011

Month	Customers										Volume (x 1,000,000 cf)										Revenue										
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	
1	6.173	6.313	6.429	6.474	6.573	6.669	6.725	6.769	6.618	6.591	6.775	6.122	7.271	7.554	7.448	8.090	8.207	8.889	7.916	7.573	\$ 113,477	\$ 133,641	\$ 143,027	\$ 145,277	\$ 148,137	\$ 153,959	\$ 154,692	\$ 159,260	\$ 151,996	\$ 150,322	
2	6.176	6.339	6.420	6.471	6.587	6.679	6.734	6.769	6.614	6.602	6.936	6.628	6.796	6.691	5.292	8.699	7.481	6.365	5.962	6.215	\$ 115,056	\$ 141,679	\$ 140,355	\$ 140,867	\$ 135,734	\$ 155,627	\$ 152,150	\$ 145,022	\$ 141,650	\$ 142,642	
3	6.185	6.352	6.418	6.491	6.599	6.683	6.734	6.611	6.600	6.588	6.334	6.774	4.730	6.973	7.711	7.152	7.257	5.880	5.253	6.421	\$ 113,010	\$ 139,244	\$ 128,788	\$ 143,055	\$ 149,585	\$ 148,605	\$ 149,953	\$ 141,538	\$ 140,719	\$ 143,299	
4	6.195	6.351	6.431	6.504	6.601	6.692	6.730	6.617	6.615	6.610	8.342	7.575	14.813	8.602	4.902	13.375	12.141	9.000	7.957	7.100	\$ 123,744	\$ 127,524	\$ 186,929	\$ 152,140	\$ 134,041	\$ 184,144	\$ 178,390	\$ 160,660	\$ 153,889	\$ 148,039	
5	6.193	6.350	6.425	6.521	6.617	6.696	6.732	6.618	6.623	6.596	16.710	8.391	20.148	9.999	12.634	14.079	22.608	18.122	9.442	11.917	\$ 168,473	\$ 149,448	\$ 215,567	\$ 161,093	\$ 179,334	\$ 187,560	\$ 235,151	\$ 210,095	\$ 162,323	\$ 175,915	
6	6.185	6.362	6.430	6.523	6.629	6.729	6.739	6.614	6.619	6.616	24.116	23.040	26.978	20.752	23.382	31.806	26.294	21.423	17.553	13.938	\$ 203,323	\$ 230,840	\$ 250,942	\$ 221,634	\$ 239,100	\$ 276,121	\$ 254,186	\$ 228,845	\$ 207,800	\$ 186,242	
7	6.212	6.372	6.447	6.523	6.622	6.704	6.723	6.613	6.626	6.620	30.445	31.117	35.443	25.326	36.390	32.093	32.619	31.394	29.635	28.752	\$ 232,671	\$ 277,024	\$ 292,074	\$ 246,343	\$ 300,406	\$ 284,092	\$ 286,867	\$ 279,461	\$ 271,282	\$ 266,205	
8	6.222	6.403	6.451	6.536	6.653	6.711	6.744	6.616	6.625	6.624	35.448	37.053	31.434	34.428	34.406	32.652	34.451	33.753	31.050	26.332	\$ 251,741	\$ 297,688	\$ 273,996	\$ 286,438	\$ 295,228	\$ 285,480	\$ 296,155	\$ 290,613	\$ 277,308	\$ 252,930	
9	6.251	6.396	6.463	6.536	6.652	6.715	6.742	6.618	6.625	6.630	34.240	27.494	35.193	33.775	35.822	38.006	32.202	30.758	31.253	35.886	\$ 247,204	\$ 251,588	\$ 291,115	\$ 288,492	\$ 302,033	\$ 310,005	\$ 285,155	\$ 275,714	\$ 277,684	\$ 299,122	
10	6.257	6.407	6.463	6.543	6.653	6.722	6.752	6.624	6.622		21.874	25.796	23.999	22.126	21.505	18.185	22.185	23.476	23.822		\$ 193,918	\$ 244,822	\$ 235,668	\$ 229,208	\$ 226,935	\$ 209,278	\$ 233,964	\$ 238,626	\$ 240,410		
11	6.244	6.406	6.460	6.558	6.664	6.720	6.772	6.611	6.625		17.848	18.403	11.714	14.193	17.340	14.494	15.691	12.593	11.793		\$ 172,334	\$ 230,893	\$ 169,262	\$ 183,401	\$ 205,562	\$ 191,507	\$ 198,159	\$ 179,613	\$ 175,699		
12	6.241	6.404	6.477	6.565	6.657	6.726	6.772	6.618	6.607		9.536	7.259	6.858	7.959	7.683	9.550	7.913	7.865	7.223		\$ 126,989	\$ 143,185	\$ 142,156	\$ 151,576	\$ 154,272	\$ 162,949	\$ 154,678	\$ 153,027	\$ 148,725		
	6.211	6.371	6.443	6.520	6.742	6.704	6.742	6.642	6.618	6.609	218.603	205.651	225.378	198.380	214.517	228.180	229.048	209.518	188.859	144.133	\$ 2,061,941	\$ 2,367,575	\$ 2,469,879	\$ 2,349,523	\$ 2,470,368	\$ 2,549,327	\$ 2,579,501	\$ 2,462,475	\$ 2,349,484	\$ 1,764,715	
	Averages										Totals										Totals										



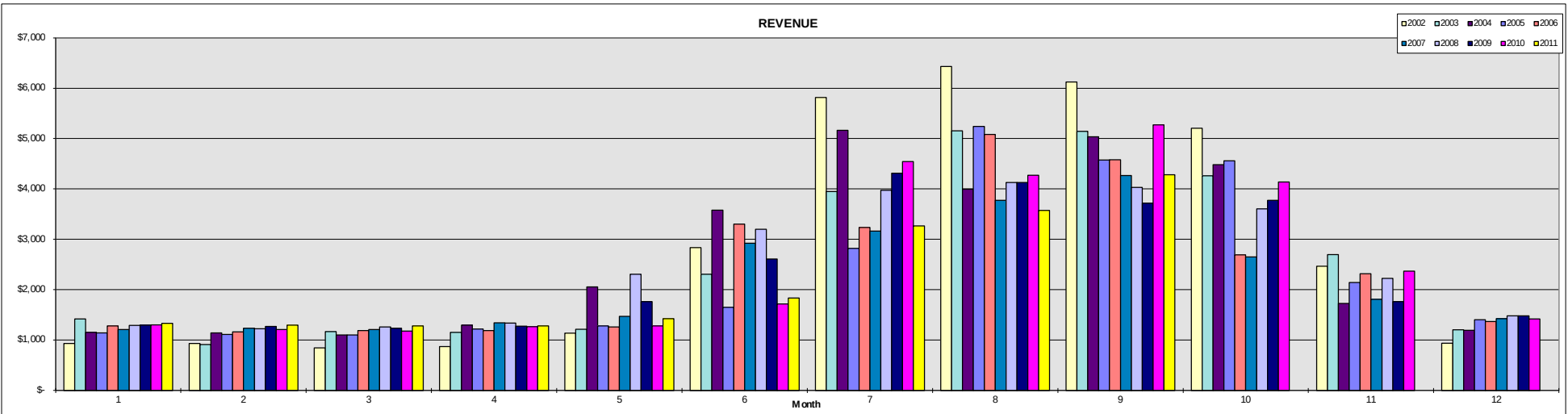
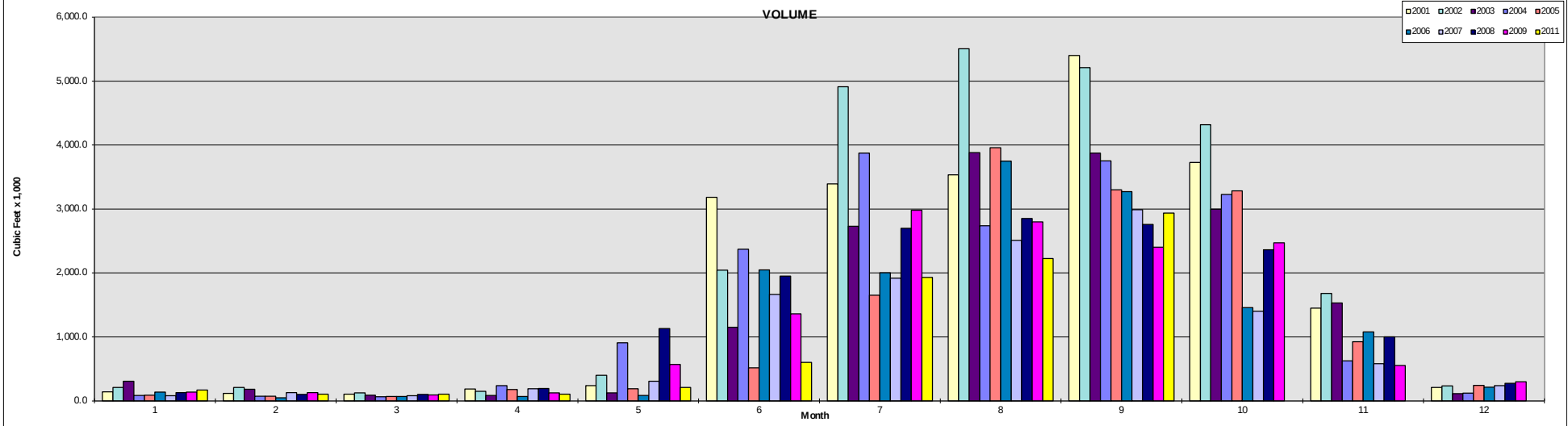
BANGOR TREATMENT PLANT CONSUMPTION: 2002 - 2011

Customers											Volume (x 1,000 cf)											Revenue										
Month	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011		
1	19	22	22	22	24	23	23	22	23	22	55.0	35.7	18.9	17.0	13.9	11.8	12.7	12.6	12.7	13.5	\$ 505	\$ 558	\$ 463	\$ 451	\$ 404	\$ 386	\$ 402	\$ 396	\$ 431	\$ 423		
2	19	22	22	22	23	23	23	22	23	22	49.7	32.3	16.9	23.0	10.4	18.2	10.4	8.5	9.7	14.6	\$ 501	\$ 538	\$ 450	\$ 489	\$ 384	\$ 427	\$ 387	\$ 370	\$ 412	\$ 429		
3	19	23	22	24	23	23	23	20	23	22	29.0	30.7	12.3	16.6	16.0	12.9	15.5	8.9	10.0	15.5	\$ 412	\$ 533	\$ 421	\$ 468	\$ 419	\$ 394	\$ 420	\$ 363	\$ 414	\$ 435		
4	19	23	22	23	23	23	23	20	23	22	29.5	25.3	25.4	21.2	9.9	35.5	17.4	12.9	14.1	17.5	\$ 415	\$ 489	\$ 505	\$ 483	\$ 380	\$ 503	\$ 432	\$ 388	\$ 441	\$ 448		
5	19	22	22	23	23	23	23	20	23	22	35.8	32.4	52.0	19.9	15.0	52.2	35.1	30.1	15.8	22.1	\$ 448	\$ 530	\$ 675	\$ 474	\$ 413	\$ 586	\$ 546	\$ 498	\$ 451	\$ 477		
6	19	21	22	23	24	23	23	22	23	22	94.2	70.9	76.2	54.3	54.6	90.6	62.7	47.5	21.7	34.0	\$ 704	\$ 766	\$ 781	\$ 688	\$ 662	\$ 754	\$ 699	\$ 630	\$ 489	\$ 554		
7	19	21	22	24	22	23	24	23	23	22	117.3	102.3	98.4	61.3	89.3	79.9	79.0	111.9	73.7	60.9	\$ 794	\$ 899	\$ 900	\$ 712	\$ 827	\$ 799	\$ 814	\$ 969	\$ 816	\$ 726		
8	19	21	22	24	23	23	22	23	25	22	140.5	166.1	99.4	94.5	103.7	116.7	96.4	94.2	98.8	94.3	\$ 854	\$ 1,086	\$ 895	\$ 858	\$ 878	\$ 948	\$ 855	\$ 905	\$ 982	\$ 882		
9	21	21	22	23	23	23	22	23	24	22	109.1	80.6	109.3	99.2	95.0	105.0	99.9	91.8	86.6	104.4	\$ 785	\$ 818	\$ 962	\$ 867	\$ 868	\$ 913	\$ 876	\$ 893	\$ 888	\$ 953		
10	20	22	22	23	24	23	22	23	22		99.4	79.7	77.6	67.2	61.8	46.0	61.2	53.2	56.3		\$ 743	\$ 795	\$ 797	\$ 723	\$ 712	\$ 615	\$ 699	\$ 683	\$ 696			
11	22	22	22	23	23	23	23	23	22		72.2	77.9	36.2	37.0	42.8	24.8	32.2	28.5	31.0		\$ 657	\$ 749	\$ 538	\$ 559	\$ 580	\$ 480	\$ 521	\$ 533	\$ 534			
12	21	22	22	23	23	23	22	23	22		31.8	22.9	21.5	20.7	16.3	14.2	10.7	14.4	14.6		\$ 445	\$ 489	\$ 480	\$ 456	\$ 415	\$ 411	\$ 384	\$ 443	\$ 429			
	20	22	22	23	23	23	22	23	22		863.5	756.8	644.1	531.9	528.8	607.8	533.1	514.5	444.9	377.0	\$ 7,261	\$ 8,249	\$ 7,866	\$ 7,229	\$ 6,941	\$ 7,217	\$ 7,034	\$ 7,070	\$ 6,983	\$ 5,328		
	Averages										Totals										Totals											



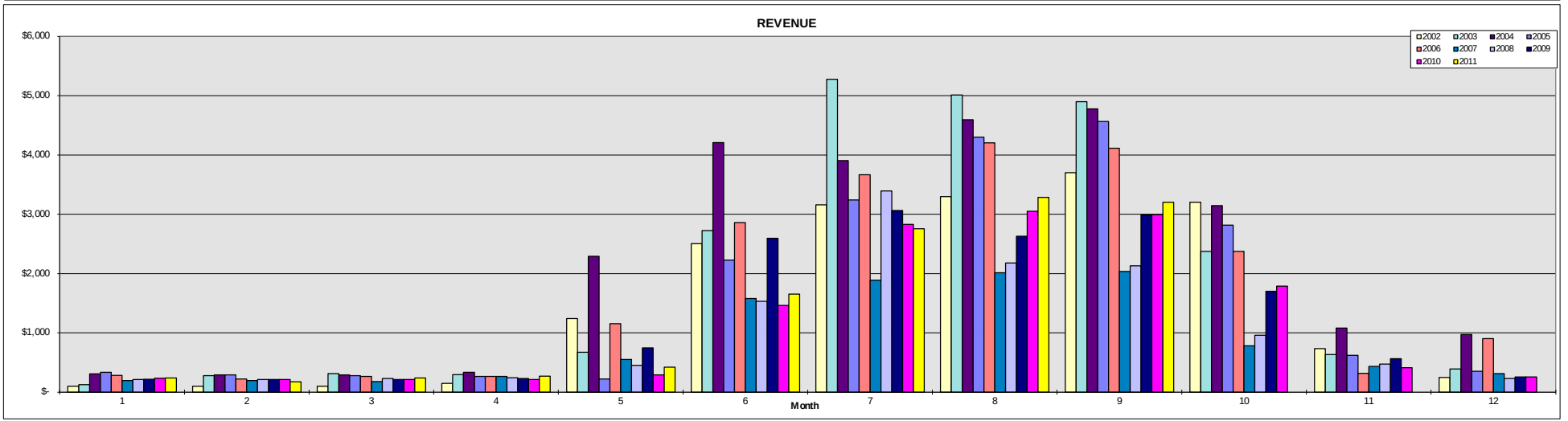
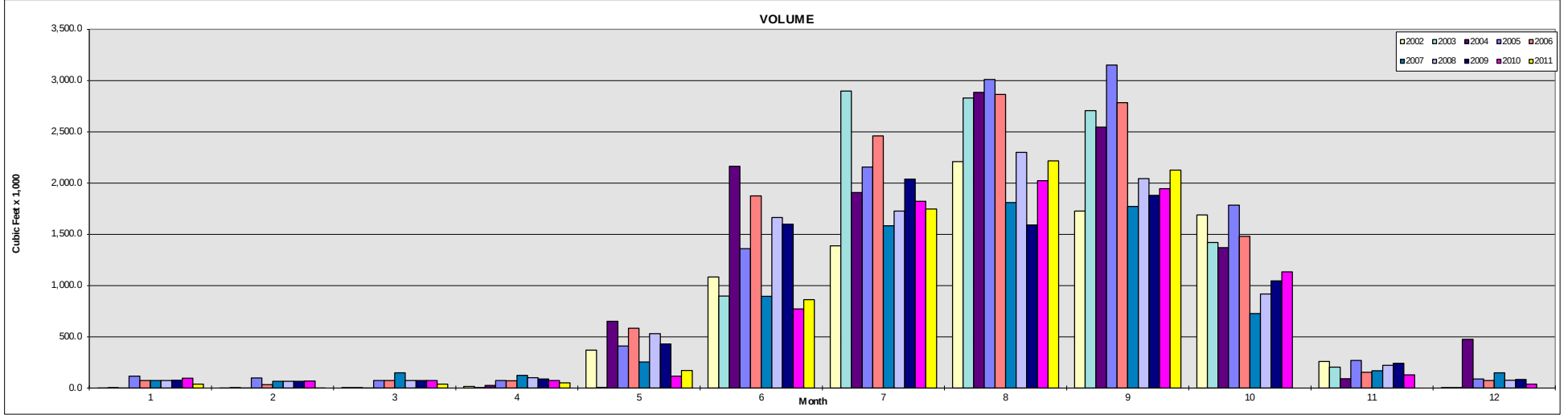
COMMUNITY LINE WATER CONSUMPTION: 2002 - 2011

	Customers										Volume (x 1,000 c)											Revenue										
Month	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	
1	65	63	61	60	65	65	66	66	66	66	141.7	211.6	305.8	84.9	89.8	136.5	80.9	130.0	135.7	170.6	\$ 933	\$ 1,417	\$ 1,155	\$ 1,142	\$ 1,278	\$ 1,207	\$ 1,289	\$ 1,295	\$ 1,302	\$ 1,331		
2	65	59	61	59	64	63	64	65	65	68	119.0	209.2	183.8	70.9	74.9	47.5	127.8	102.3	130.6	106.3	\$ 930	\$ 913	\$ 1,141	\$ 1,110	\$ 1,165	\$ 1,234	\$ 1,225	\$ 1,272	\$ 1,209	\$ 1,296		
3	65	62	59	59	64	65	66	65	65	67	105.4	125.7	89.9	65.3	68.3	67.8	82.6	100.0	91.9	104.4	\$ 844	\$ 1,166	\$ 1,100	\$ 1,103	\$ 1,190	\$ 1,211	\$ 1,258	\$ 1,232	\$ 1,176	\$ 1,280		
4	65	61	60	59	64	66	65	66	65	67	186.3	150.0	85.9	238.9	179.2	67.6	189.3	193.1	126.7	105.1	\$ 868	\$ 1,154	\$ 1,296	\$ 1,217	\$ 1,190	\$ 1,344	\$ 1,336	\$ 1,274	\$ 1,267	\$ 1,281		
5	66	62	64	62	67	66	67	68	64	69	236.7	399.7	125.1	908.6	189.2	86.9	308.7	1,132.6	571.1	208.9	\$ 1,138	\$ 1,214	\$ 2,056	\$ 1,280	\$ 1,262	\$ 1,473	\$ 2,308	\$ 1,764	\$ 1,280	\$ 1,423		
6	67	64	65	64	68	69	68	71	67	70	3,185.5	2,045.4	1,151.2	2,372.5	515.6	2,049.0	1,664.0	1,950.7	1,361.0	603.8	\$ 2,836	\$ 2,306	\$ 3,581	\$ 1,651	\$ 3,300	\$ 2,921	\$ 3,199	\$ 2,609	\$ 1,717	\$ 1,834		
7	69	65	67	64	67	68	68	71	69	73	3,395.3	4,911.0	2,729.9	3,873.0	1,652.2	2,004.9	1,917.6	2,700.7	2,980.0	1,932.3	\$ 5,815	\$ 3,949	\$ 5,162	\$ 2,822	\$ 3,238	\$ 3,165	\$ 3,972	\$ 4,312	\$ 4,545	\$ 3,268		
8	69	66	67	67	70	68	68	71	70	74	3,534.6	5,507.4	3,884.0	2,738.5	3,957.9	3,750.7	2,508.1	2,852.6	2,800.1	2,224.4	\$ 6,432	\$ 5,156	\$ 3,993	\$ 5,239	\$ 5,080	\$ 3,773	\$ 4,128	\$ 4,127	\$ 4,272	\$ 3,574		
9	69	66	67	67	69	69	68	71	71	72	5,401.0	5,209.8	3,874.6	3,752.9	3,300.4	3,273.6	2,988.4	2,757.6	2,403.5	2,939.1	\$ 6,125	\$ 5,146	\$ 5,038	\$ 4,572	\$ 4,579	\$ 4,265	\$ 4,030	\$ 3,718	\$ 5,273	\$ 4,279		
10	69	67	66	68	68	69	67	70	71		3,729.5	4,317.6	2,996.6	3,229.3	3,283.3	1,456.6	1,403.1	2,362.4	2,473.9		\$ 5,206	\$ 4,259	\$ 4,479	\$ 4,561	\$ 2,690	\$ 2,648	\$ 3,606	\$ 3,773	\$ 4,139			
11	67	64	62	68	69	69	68	68	71		1,448.6	1,680.5	1,531.5	625.5	923.8	1,077.1	582.2	1,003.6	553.7		\$ 2,468	\$ 2,697	\$ 1,729	\$ 2,142	\$ 2,317	\$ 1,807	\$ 2,224	\$ 1,760	\$ 2,366			
12	63	62	61	66	66	68	69	67	68		210.8	236.1	113.2	122.1	240.7	215.3	239.5	274.6	300.8		\$ 936	\$ 1,202	\$ 1,193	\$ 1,403	\$ 1,368	\$ 1,423	\$ 1,482	\$ 1,482	\$ 1,420			
	67	63	63	64	67	67	67	68	68	70	21,694.4	25,004.0	17,071.5	18,082.4	14,475.3	14,233.5	12,092.2	15,560.3	13,929.4	8,394.8	\$ 34,532	\$ 30,579	\$ 31,923	\$ 28,241	\$ 28,657	\$ 26,471	\$ 30,058	\$ 28,619	\$ 29,967	\$ 19,566		
	Averages										Totals										Totals											



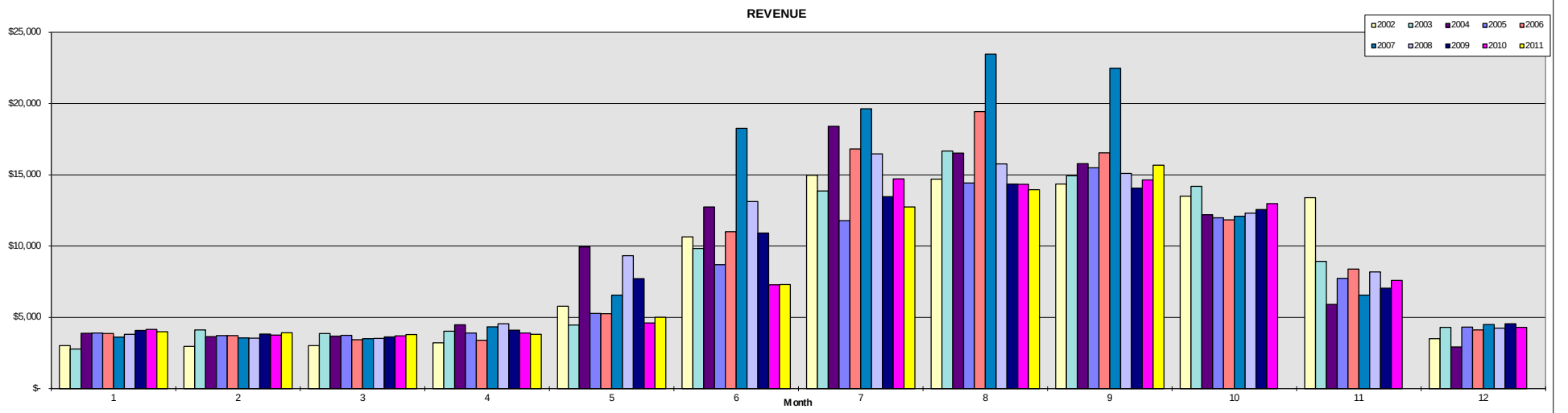
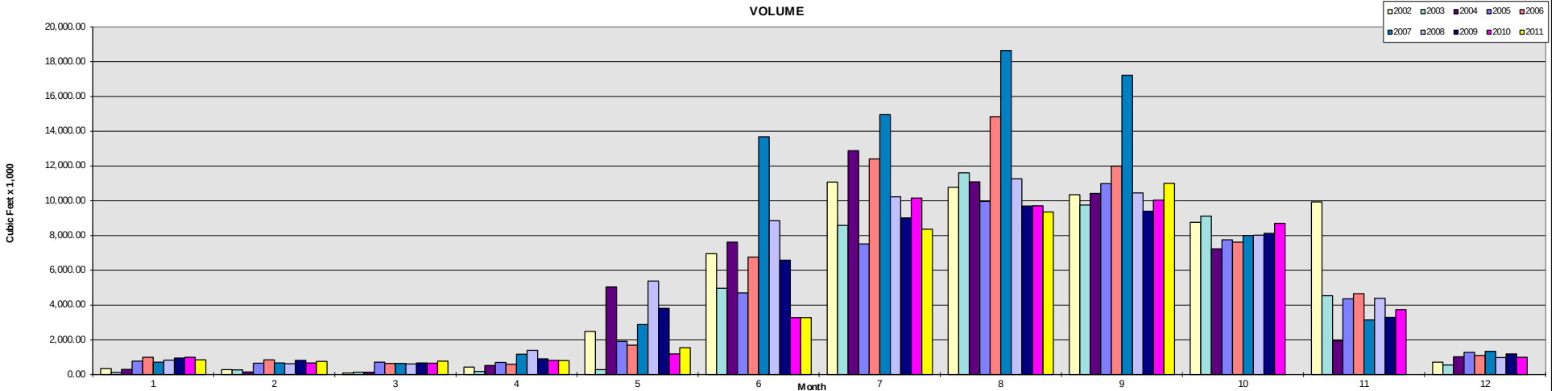
FORBESTOWN DITCH WATER CONSUMPTION: 2002 - 2011

	Customers											Volume (x 1,000 cF)											Revenue										
Month	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011			
1	5	7	10	14	11	6	7	7	7	12	1.7	4.3	1.7	115.5	74.2	73.7	74.6	76.5	96.9	38.0	\$ 102	\$ 127	\$ 312	\$ 335	\$ 284	\$ 196	\$ 215	\$ 217	\$ 238	\$ 239			
2	5	8	9	12	10	6	7	7	7	12	1.7	3.1	0.8	99.2	34.5	66.5	66.5	67.3	67.4	1.1	\$ 102	\$ 278	\$ 293	\$ 290	\$ 222	\$ 196	\$ 214	\$ 214	\$ 215	\$ 176			
3	5	9	9	11	10	5	8	20	7	12	2.1	2.7	0.4	74.8	74.3	149.4	74.4	73.9	72.9	38.2	\$ 102	\$ 313	\$ 293	\$ 280	\$ 267	\$ 179	\$ 232	\$ 214	\$ 213	\$ 240			
4	7	9	10	10	10	7	7	7	7	12	14.6	2.5	26.8	72.8	71.4	123.0	101.9	88.3	72.7	50.5	\$ 151	\$ 295	\$ 338	\$ 268	\$ 266	\$ 267	\$ 245	\$ 231	\$ 215	\$ 271			
5	27	15	37	23	26	14	13	16	10	14	368.8	5.5	650.7	409.5	583.1	253.4	531.3	430.5	115.2	172.8	\$ 1,241	\$ 673	\$ 2,292	\$ 222	\$ 1,157	\$ 552	\$ 454	\$ 746	\$ 292	\$ 422			
6	39	38	48	36	42	30	28	34	31	33	1,083.5	896.5	2,164.7	1,359.0	1,873.7	896.1	1,664.7	1,597.5	773.1	862.5	\$ 2,503	\$ 2,724	\$ 4,210	\$ 2,229	\$ 2,862	\$ 1,581	\$ 1,532	\$ 2,597	\$ 1,466	\$ 1,654			
7	50	50	51	47	49	36	30	36	36	35	1,387.3	2,898.2	1,907.3	2,157.2	2,459.6	1,583.2	1,725.4	2,038.1	1,822.5	1,746.5	\$ 3,162	\$ 5,276	\$ 3,907	\$ 3,241	\$ 3,667	\$ 1,888	\$ 3,393	\$ 3,066	\$ 2,831	\$ 2,757			
8	46	47	54	53	53	37	36	35	34	33	2,207.7	2,829.6	2,885.7	3,009.0	2,863.3	1,810.4	2,299.0	1,590.0	2,022.6	2,215.2	\$ 3,299	\$ 5,013	\$ 4,597	\$ 4,301	\$ 4,205	\$ 2,014	\$ 2,178	\$ 2,628	\$ 3,053	\$ 3,286			
9	53	48	56	54	52	37	36	35	34	33	1,726.4	2,705.8	2,544.3	3,150.0	2,784.4	1,772.5	2,042.9	1,878.6	1,945.5	2,126.9	\$ 3,700	\$ 4,900	\$ 4,780	\$ 4,564	\$ 4,116	\$ 2,035	\$ 2,131	\$ 2,989	\$ 2,997	\$ 3,203			
10	41	29	44	43	44	20	20	22	21		1,688.6	1,419.9	1,370.4	1,785.5	1,480.9	726.4	918.5	1,044.6	1,133.4		\$ 3,202	\$ 2,374	\$ 3,147	\$ 2,817	\$ 2,373	\$ 784	\$ 962	\$ 1,702	\$ 1,788				
11	18	14	11	18	7	14	12	16	17		259.7	203.3	90.6	270.1	154.4	168.2	222.7	242.3	128.4		\$ 737	\$ 634	\$ 1,081	\$ 620	\$ 317	\$ 436	\$ 475	\$ 565	\$ 413				
12	10	12	22	14	8	8	8	9	13		3.7	2.1	474.9	89.5	74.6	148.3	75.4	83.0	39.4		\$ 249	\$ 392	\$ 973	\$ 353	\$ 904	\$ 316	\$ 233	\$ 258	\$ 258				
	43	38	48	43	44	29	27	30	28	22	8,745.8	10,973.5	12,118.3	12,592.1	12,528.4	7,771.2	9,797.4	9,210.6	8,289.9	7,251.8	\$ 18,548	\$ 23,001	\$ 26,221	\$ 19,520	\$ 20,641	\$ 10,445	\$ 12,264	\$ 15,428	\$ 13,978	\$ 12,248			
	Averages											Totals											Totals										



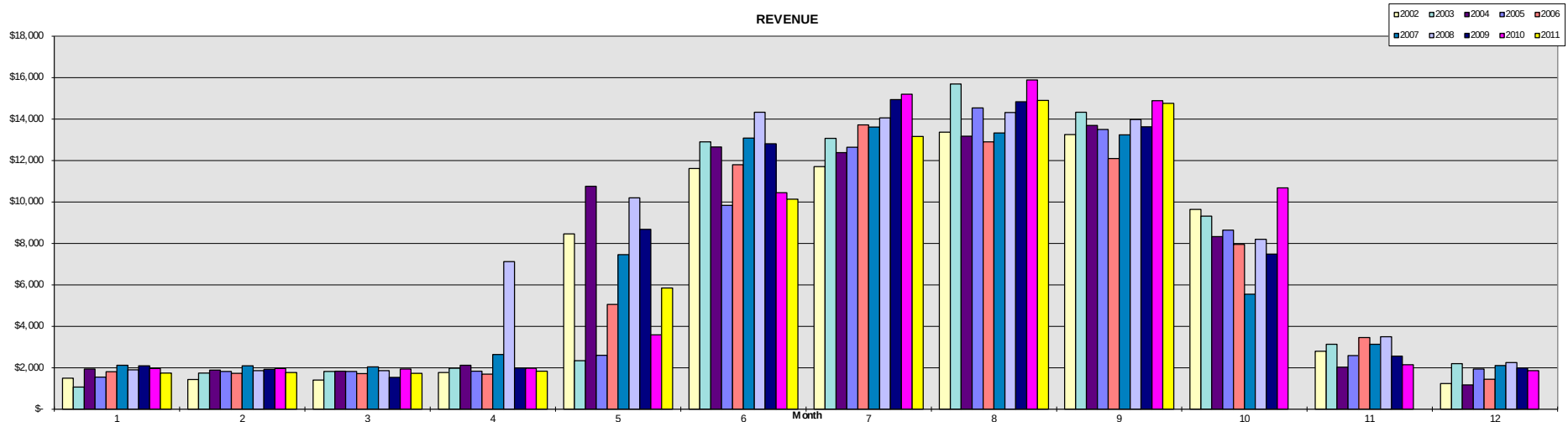
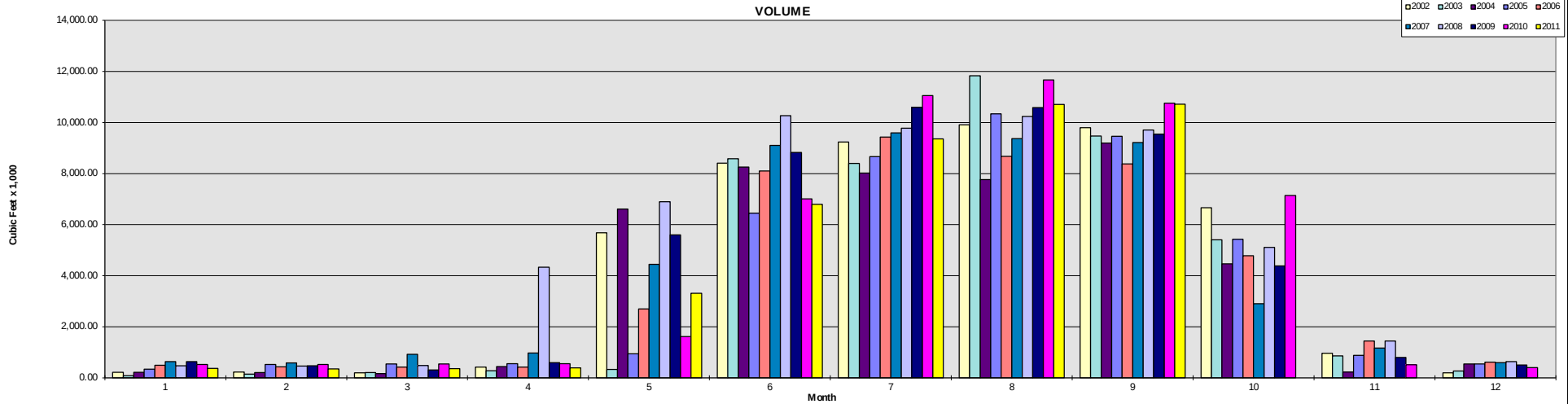
BANGOR CANAL WATER CONSUMPTION: 2002 - 2011

Month	Customers										Volume (x 1,000 cf)										Revenue									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
1	202	153	166	183	157	159	163	173	175	173	346.08	117.70	298.02	783.28	999.46	724.20	842.00	948.91	993.91	851.48	\$ 3,026	\$ 2,781	\$ 3,888	\$ 3,896	\$ 3,866	\$ 3,620	\$ 3,806	\$ 4,086	\$ 4,158	\$ 3,992
2	168	171	164	163	155	157	158	164	168	172	293.68	266.06	154.00	663.21	844.31	669.71	631.89	818.69	671.99	755.38	\$ 2,961	\$ 4,122	\$ 3,650	\$ 3,729	\$ 3,730	\$ 3,556	\$ 3,541	\$ 3,835	\$ 3,759	\$ 3,915
3	168	169	164	163	153	160	160	164	168	166	97.02	133.18	132.34	720.10	643.28	645.28	620.43	674.56	651.87	783.17	\$ 3,018	\$ 3,860	\$ 3,682	\$ 3,741	\$ 3,441	\$ 3,513	\$ 3,525	\$ 3,637	\$ 3,698	\$ 3,799
4	174	168	178	170	152	171	173	179	171	165	431.74	187.56	522.04	708.38	605.38	1,176.41	1,402.61	909.53	814.60	804.62	\$ 3,219	\$ 4,034	\$ 4,479	\$ 3,904	\$ 3,400	\$ 4,332	\$ 4,559	\$ 4,102	\$ 3,901	\$ 3,817
5	204	184	212	187	192	198	213	215	188	190	2,480.72	288.72	5,044.56	1,915.86	1,689.26	2,877.85	5,377.98	3,817.34	1,190.88	1,544.43	\$ 5,786	\$ 4,464	\$ 9,950	\$ 5,274	\$ 5,263	\$ 6,556	\$ 9,335	\$ 7,720	\$ 4,614	\$ 5,009
6	216	212	219	212	217	223	217	229	213	215	6,959.76	4,964.58	7,615.46	4,708.74	6,759.58	13,677.09	8,852.45	6,589.73	3,287.34	3,286.44	\$ 10,641	\$ 9,842	\$ 12,741	\$ 8,689	\$ 11,012	\$ 18,261	\$ 13,123	\$ 10,921	\$ 7,278	\$ 7,301
7	223	220	241	219	218	227	230	229	232	226	11,067.80	8,588.32	12,886.23	7,522.74	12,410.45	14,958.77	10,229.44	9,009.45	10,161.09	8,363.15	\$ 14,963	\$ 13,871	\$ 18,402	\$ 11,780	\$ 16,807	\$ 19,641	\$ 16,476	\$ 13,476	\$ 14,717	\$ 12,739
8	227	220	229	226	222	227	226	239	236	238	10,774.98	11,602.54	11,088.18	9,961.04	14,843.95	18,647.25	11,273.23	9,695.74	9,718.66	9,352.24	\$ 14,707	\$ 16,675	\$ 16,533	\$ 14,425	\$ 19,431	\$ 23,465	\$ 15,758	\$ 14,358	\$ 14,331	\$ 13,949
9	226	221	226	223	225	227	235	238	234	238	10,348.92	9,755.90	10,421.12	10,981.46	11,988.86	17,226.77	10,452.92	9,406.75	10,033.50	11,001.37	\$ 14,357	\$ 14,926	\$ 15,787	\$ 15,496	\$ 16,535	\$ 22,473	\$ 15,090	\$ 14,060	\$ 14,637	\$ 15,684
10	219	216	216	221	218	213	223	231	221		8,768.44	9,115.18	7,235.44	7,757.52	7,617.21	8,000.91	8,021.02	8,121.09	8,699.87		\$ 13,508	\$ 14,196	\$ 12,207	\$ 11,990	\$ 11,845	\$ 12,099	\$ 12,319	\$ 12,572	\$ 12,979	
11	199	196	182	185	196	183	204	201	206		9,929.70	4,545.10	1,943.22	4,363.88	4,658.00	3,146.31	4,399.09	3,293.95	3,738.01		\$ 13,400	\$ 8,930	\$ 5,912	\$ 7,743	\$ 8,379	\$ 6,562	\$ 8,184	\$ 7,041	\$ 7,587	
12	178	172	176	165	174	175	180	186	182		718.90	548.50	1,022.73	1,286.40	1,106.82	1,342.71	978.35	1,192.89	1,005.61		\$ 3,510	\$ 4,298	\$ 2,930	\$ 4,314	\$ 4,119	\$ 4,500	\$ 4,239	\$ 4,563	\$ 4,304	
	200	192	198	193	190	193	199	204	200	198	62,217.74	50,113.34	58,363.33	51,372.61	64,166.58	83,093.25	63,081.42	54,478.63	50,967.33	36,742.28	\$ 103,095	\$ 102,000	\$ 110,160	\$ 94,980	\$ 107,827	\$ 128,578	\$ 109,955	\$ 100,370	\$ 95,962	\$ 70,205
	Averages										Totals										Totals									



PALERMO CANAL WATER CONSUMPTION: 2002 - 2011

	Customers										Volume (x 1,000 c)											Revenue										
Month	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011		
1	78	56	75	71	71	80	80	80	79	77	220.22	84.60	219.66	342.90	491.02	636.15	467.73	638.54	524.34	368.52	\$ 1,491	\$ 1,067	\$ 1,945	\$ 1,548	\$ 1,811	\$ 2,124	\$ 1,898	\$ 2,100	\$ 1,964	\$ 1,746		
2	76	73	72	68	69	79	76	78	77	78	230.52	148.02	208.66	519.50	426.59	586.00	466.70	474.43	518.60	347.59	\$ 1,435	\$ 1,746	\$ 1,881	\$ 1,828	\$ 1,728	\$ 2,095	\$ 1,860	\$ 1,932	\$ 1,960	\$ 1,768		
3	76	74	72	68	70	79	76	70	76	77	197.06	206.80	169.64	546.35	420.94	916.98	486.41	308.81	547.86	359.14	\$ 1,412	\$ 1,825	\$ 1,839	\$ 1,824	\$ 1,714	\$ 2,043	\$ 1,866	\$ 1,539	\$ 1,936	\$ 1,737		
4	86	74	72	68	69	89	150	79	77	80	417.56	275.42	444.95	549.72	422.94	973.82	4,331.96	593.43	556.76	395.44	\$ 1,766	\$ 1,976	\$ 2,126	\$ 1,838	\$ 1,689	\$ 2,636	\$ 7,122	\$ 1,991	\$ 1,975	\$ 1,835		
5	175	86	185	88	125	159	174	163	107	136	5,682.40	323.98	6,617.18	941.42	2,695.41	4,445.04	6,901.03	5,598.44	1,612.15	3,316.14	\$ 8,465	\$ 2,336	\$ 10,754	\$ 2,606	\$ 5,056	\$ 7,460	\$ 10,203	\$ 8,682	\$ 3,584	\$ 5,845		
6	205	196	199	175	188	202	205	204	177	173	8,406.36	8,581.26	8,260.96	6,450.06	8,099.80	9,103.04	10,264.94	8,829.84	7,006.06	6,800.98	\$ 11,617	\$ 12,902	\$ 12,650	\$ 9,832	\$ 11,800	\$ 13,087	\$ 14,335	\$ 12,817	\$ 10,443	\$ 10,139		
7	204	214	198	202	200	204	219	221	210	193	9,241.96	8,396.05	8,020.61	8,669.57	9,433.97	9,592.59	9,783.62	10,598.90	11,051.13	9,356.00	\$ 11,704	\$ 13,069	\$ 12,389	\$ 12,637	\$ 13,723	\$ 13,612	\$ 14,055	\$ 14,945	\$ 15,201	\$ 13,159		
8	215	219	206	209	263	201	207	215	211	212	9,912.98	11,834.39	7,764.92	10,344.43	8,680.54	9,372.64	10,238.86	10,589.77	11,664.89	10,711.85	\$ 13,375	\$ 15,693	\$ 13,173	\$ 14,545	\$ 12,901	\$ 13,326	\$ 14,322	\$ 14,832	\$ 15,884	\$ 14,908		
9	212	217	196	201	190	205	219	208	207	202	9,801.94	9,473.72	9,199.26	9,462.04	8,377.17	9,218.87	9,706.46	9,540.67	10,755.00	10,716.74	\$ 13,247	\$ 14,330	\$ 13,699	\$ 13,495	\$ 12,098	\$ 13,235	\$ 13,975	\$ 13,634	\$ 14,885	\$ 14,754		
10	187	173	172	165	166	144	163	164	184		6,665.24	5,406.14	4,468.28	5,425.76	4,780.99	2,900.42	5,106.18	4,388.30	7,141.06		\$ 9,642	\$ 9,324	\$ 8,331	\$ 8,640	\$ 7,957	\$ 5,544	\$ 8,194	\$ 7,480	\$ 10,683			
11	142	102	79	91	109	109	112	95	90		963.32	862.74	227.80	883.35	1,438.40	1,168.79	1,441.04	794.98	514.52		\$ 2,799	\$ 3,130	\$ 2,024	\$ 2,587	\$ 3,465	\$ 3,128	\$ 3,498	\$ 2,562	\$ 2,150			
12	76	84	75	75	82	85	90	82	81		197.90	272.54	539.79	538.60	619.19	594.79	632.75	501.08	405.46		\$ 1,236	\$ 2,203	\$ 1,171	\$ 1,938	\$ 1,445	\$ 2,111	\$ 2,251	\$ 1,992	\$ 1,862			
	144	131	133	123	134	136	148	138	131	136	51,937.46	45,865.66	46,141.72	44,673.70	45,886.96	49,509.13	59,827.69	52,857.20	52,297.83	42,372.38	\$ 78,188	\$ 79,600	\$ 81,984	\$ 73,318	\$ 75,386	\$ 80,401	\$ 93,579	\$ 84,506	\$ 82,528	\$ 65,890		
	Averages										Totals											Totals										





SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Matt Colwell, Water Division Manager

DATE: October 18, 2011

RE: General Information (regarding matters not scheduled on agenda)
10/25/11 Board of Directors Meeting

Domestic Distribution Operations

On Tuesday, October 4, at approximately 3:30 pm, Agency crews responded, in the rain, to a significant mainline break. Crews found Foothill Boulevard near Edgemont flooded with water erupting from both sides of the street (picture at right). The mainline break was quickly isolated, exposed (picture below), and the cause determined to have occurred from substandard installation. The crews efficiently removed the ruptured section of pipe, jack-hammered away a rock outcropping, and reinstalled ductile iron pipe consistent with waterworks standards. The cost to repair the damaged road section (picture at lower right) are anticipated to exceed \$10,000, so an insurance claim has been initiated.



Transmission and Distribution crews are commended for completing the repair efficiently (in less than four hours) and with minimal customer impact.

During the week of October 3rd through the 6th, Transmission and Distribution crews took advantage of Palermo School being out of session to isolate and improve the water distribution mainline feeding the area. A new 8-inch mainline isolation valve was inserted to prevent a large area from being out of water and a new 4" tap, valve, and plumbing was installed to repair a failed valve (picture at right, note the proximity of the 2" gas mainline)



A leak at the Feather Falls Casino revealed a very unique situation. When the crews exposed a leak on the fire-service lateral feeding a hydrant and commercial fire system, they found a plumbing system that had been severely compromised by water hammer. It appears that someone (local fire or construction crews) operated the hydrant too fast and separated the fire service fittings to the point of failure. More unique is that somehow and for sometime the metal bolts on an isolated valve and flange assembly have been acting as electric anodes and corroded to the point of causing the actual leak. All surrounding metal joints and fittings appear to be in great shape as expected. The photo at right shows several of the severely corroded bolts that were removed and replaced. Any voltage source has yet to be determined.



A CHP patrol car was rapidly pursuing a speeding driver when the driver lost control of the vehicle and hit a hydrant at the intersection of Power Hill and Ophir roads (the driver was later arrested). The break-off spool performed as intended preventing damage to the distribution system. We replaced the break-off spool and the hydrant.

Irrigation Operations

Demand for irrigation water is running well below monthly contractual allocation amounts. The surplus water revenue on the Forbestown Ditch for September is \$29,300 and is on track for annual surplus water earnings approaching \$160,000.

The 2011 Irrigation flows are as follows:	Forbestown Ditch	SF 14	= 0 cfs
		NYWD	= 0 cfs

SFWPA @ WD 6 = 0 cfs
 Bangor Canal SF 25 = 8 cfs
 Palermo Canal = 2 cfs

Water Treatment Operations

M RTP operations are taking advantage of low Miners Ranch Reservoir elevations resulting from Kelly Powerhouse outage operations. Staff is trying to acquire operational information about how low the reservoir can get and still meet hydraulic and water quality operational concerns for both domestic and power purposes. Staff use to mitigate water quality and operations concerns at approximately 878 elevation, 8 feet lower than normal levels. The reservoir elevation is currently at 877 and it has been verified that it can operate at a lower elevation and for longer periods than previously assumed. This is important information because it allows staff to confidently react to any drawdown need, and it will hopefully esterminate the exposed milfoil. It appears that historically low levels at the reservoir can be maintained without significant, or any, operational impact (10' drawdown has head impact).

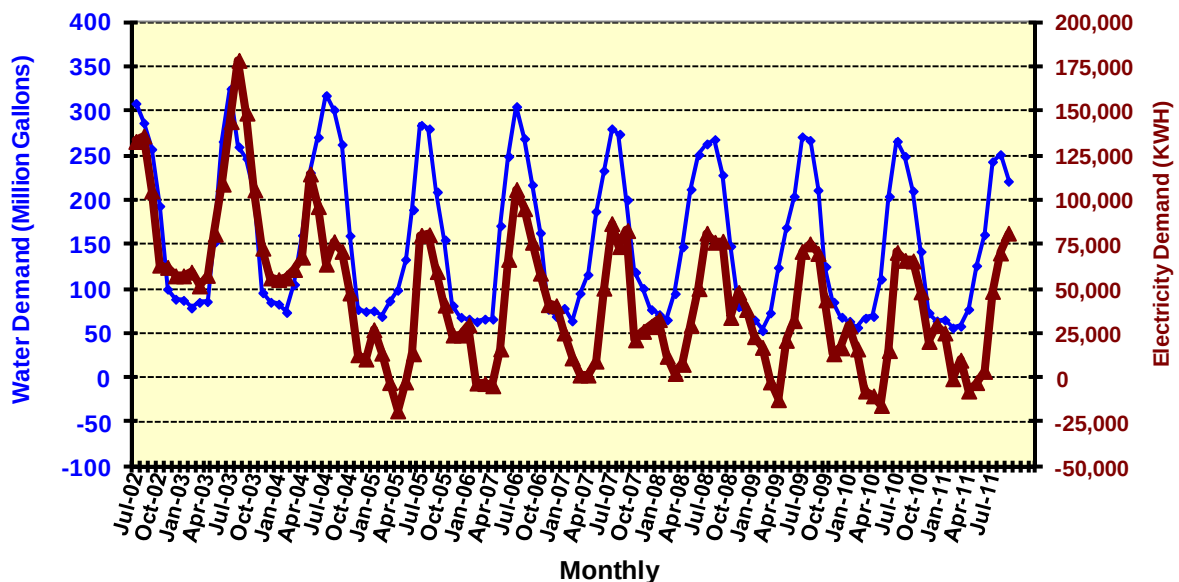
Miners Ranch water treatment volumes for September 2011 are presented in the table at right and in the chart at the end of this report. The 2011 cumulative demand is still tracking a new record low. It is reasonable to assume that the annual maximum daily demand (MDD) has been achieved for the year. On July 9th and August 15th MRTP produced 9.0 million gallons per day, which is significantly lower than the MDD since 1994 (current records).

Miners Ranch Production	September 2011
Total (MG)	231.7 (100% of Avg)
High (MGD)	8.8
Low (MGD)	5.8
Avg. (MGD)	7.7

Solar Plant Production

MRTP power demand was greater than solar generation by 70,500 KWH during the month of August. The graph below provides a historical perspective of energy demand (from PG&E) compared to water production.

**Miners Ranch Water Treatment Plant
 Monthly Water Production VS: KWH Purchased**





SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Alex C. Brown, Regulatory Compliance Manager

DATE: October, 19 2011

RE: General Information (regarding matters not scheduled on agenda)
10/25/2011 Board of Directors Meeting

Dam Safety and Security Management – Functional Exercise

Preparations continue for the functional exercise to be conducted on November 9. A functional exercise is intended to test the capability of a community's entire emergency management system. It is based on a simulation of an emergency that will require the various skills represented by SFWPA and the local and state emergency management agencies. Conducted in real time, this event will be determined by the spontaneous interaction of the organizations present. The scenario related events and messages of increasing complexity, threat, and pressure are interspersed to test the player's skills, knowledge, awareness, and ability.

Power Project Maintenance

Woodleaf Powerhouse Rock Slope Maintenance Inspection

During the night of April 9, 2005, a 1,000 cubic-yard rockslide from the slope above the Woodleaf Powerhouse covered part of the powerhouse roof and loosened material near the steeply inclined lowest section of the Woodleaf penstock. The rock face was stabilized and it was recommended that maintenance be conducted every five years. A maintenance inspection was performed by Don Beldon, owner of Neil's Control Blasting, the firm that the worked to stabilize the slope in 2005. Mr. Beldon was accompanied in this work by Chuck Kull of Holdrege and Kull, principal geotechnical engineer of Holdrege and Kull.



Inspection of Woodleaf Powerhouse Rock slope

Miners' Canal Improvement

During the last outage of Kelly Powerhouse, Syblon Reid General Engineering restored two sections of the Miner's Ranch Canal. The cracked sections of the canal lining were removed and the slope behind them were reshaped and keyed to ensure the new sections would form to the soil beneath in a stabile manner. Welded wire fabric and shotcrete were then placed. Each phase of the project was inspected to ensure compliance with plans and specifications. Shotcrete placement was performed by Dees-Hennessey, Inc, of Santa Carlos, Ca.



A section of Miner's Ranch Canal prior to restoration



Dees Hennessey field crew place shotcrete



Finished section of Miner's Ranch Canal

Regulatory Compliance Management

First Archeology Inspection

As part of the application for the new FERC license, SFWPA had to develop a Historic Properties Management Plan (HPMP). The HPMP was developed with FERC and the California Historic Preservation Office (SHPO). In July, FERC and SHPO issued the Programmatic Agreement (PA) which directs SFWPA to implement the HPMP within six months of the license issuance, or six months after the execution of the PA.

The HPMP has many components, not the least of which is monitoring of known historic and/or cultural sites by a professional archeologist. This monitoring of the existing cultural sites and historic properties for signs of degradation and unexpected damage is going to be conducted at the end of October. Neal Neuenschwander, an archeologist from Peak and Associates (subconsultants to HDR who worked on the relicensing project) will update site records and prepare site sketch maps. GPS data collection will be used to record site datum and additional information as needed. This information will be included in site records and used to update Geographical Information System (GIS) and confidential maps of SFWPA historic properties. This is the first of many annual inspections and will be used as a baseline for future inspections.



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Michael Glaze, General Manager

DATE: October 19, 2011

RE: General Information (regarding matters not scheduled on the agenda)
10/25/11 Board of Directors Meeting

Relicensing

Since the board's last meeting there have been no new relicensing developments. The State Water Resources Control Board (SWRCB) is continuing the approval process for the 401 Water Quality Permit for the Agency's South Feather Power Project and is continuing its review of the CEQA-compliance documents submitted by the Agency earlier this year. The permit application was filed by the Agency on May 14, 2008.

Proposed Rate Change

The Proposition 218 notice approved by the board last month was in the mail boxes of property owners and customers the very next week. Subsequently, staff began to receive a number of interesting phone calls, emails and scrawled notes by US Mail – and they seem to span both extremes of approval and (confused) opposition.

As an example, Dee Fairbanks sent the following email.

This is **NOT** a letter of protest, but a letter of affirmation in support of the proposed changes. I complement the District, its board and leaders for taking this bold move. I do not think that I am in the minority and I doubt that the majority who feel as I do will show up at the hearings. I just felt a need to let you know I feel. Feel free to use my name and this communication as you see fit.

On the other end of the pendulum is the following note scribbled on the front page of the Prop. 218 notice sent to a property owner by the name of Ore Cal Investments. It reads: "Your fees are excessive already. You are ripping everyone off."

I'm guessing whoever wrote this comment either did not read the notice, read it and didn't understand it, or assumed the part about a rate reduction had to be a typographical error.

SOUTH FEATHER WATER & POWER AGENCY

MICHAEL C. GLAZE, GENERAL MANAGER 2310 ORO-QUINCY HIGHWAY
OROVILLE, CALIFORNIA 95966
530-533-2401
WATERRATES@SOUTHFEATHER.COM

October 5, 2011

ORE CAL INVESTMENTS
6598 Firland Dr
Paradise, CA 95969-2406

Re: NOTICE OF CHANGE IN RATES FOR TREATED WATER PURCHASED
FROM SOUTH FEATHER WATER AND POWER AGENCY



*Your fees are
excessive already
You are ripping everyone
off*

In addition to returning phone calls to people with questions about the Prop. 218 notice and how it might affect them, and speaking to a local service club about the proposed rate change, I have also worked with several large users to help them understand the impact the rate change will have on them. For example, Oroville Cemetery District (OCD) has two domestic water accounts. On the smaller account, OCD only minimally exceeds the Block 1 rate six months out of the year (based on the immediate past 12 months), and the new rates would result in an annual savings of \$39 (-5.8%) in 2012, and up to \$81 (-12.2%) after 2017. However, their larger account has significantly more consumption and substantially exceeds the Block 1 rate eight months annually. On that account the new rates would result in an annual cost increase of \$382 (+8.6%) in 2012, and up to \$1,334 (+30.1%) after 2017. Overall, OCD would see its total 12-month water bill go up by:

\$343 (+6.7%) after 1/1/12;
\$685 (+13.4%) after 1/1/14; and,
\$1,253 (+24.6%) after 1/1/17.

The rate-change story for Mooretown Rancheria's nine accounts (hotel, casino, landscaping, gym, and headquarters) has a happier ending. The Rancheria's total 12-month water bill will go down by:

\$325 (-3.5%) after 1/1/12;
\$649 (-7.0%) after 1/1/14; and,
\$495 (-5.4%) after 1/1/17.

I'm toying with an idea that might help the cemetery district, and will explain it at the meeting.



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Michael Glaze, General Manager

DATE: October 5, 2011

RE: Call for Nominations – BCSDA Executive Board
Agenda Item for 10/25/11 Board of Directors Meeting

Attached is a letter received from Butte County Special Districts Association calling for nominations of representatives of enterprise and non-enterprise districts to stand for election to BCSDA's Executive Board.

As you can see on the "2011 Executive Board Membership Roster" (also attached), Jim Edwards and I are both presently on the BCSDA board. Jim's term expires this year and he is, therefore, up for re-election. My term doesn't expire until the end of 2012. If any other director would like to work with Jim (I definitely think he should serve another term) and me on the BCSDA board, their nomination should be made at this time.

To place directors in nomination, the following action would suffice:

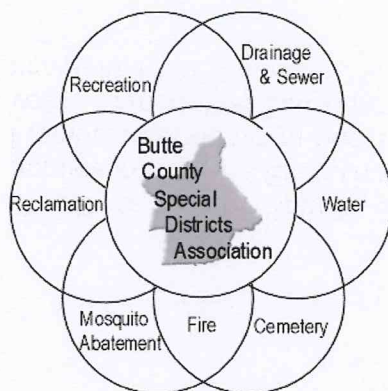
"I move that Jim Edwards and [NAME] be nominated for election to the Butte County Special Districts Executive Board."

RECEIVED

SEP 26 2011

**BUTTE COUNTY
SPECIAL DISTRICTS ASSOCIATION**

S.F.W.P.
OROVILLE OFFICE



UNITED FOR PROGRESS

c/o Lake Oroville Area Public Utility District
1960 Elgin Street
Oroville, CA 95966
(530) 533-2000 Phone
(530) 533-1750 Fax

DATE: September 23, 2011

TO: BUTTE COUNTY SPECIAL DISTRICTS

FROM: NOMINATIONS & ELECTIONS COMMITTEE,
BUTTE COUNTY SPECIAL DISTRICTS ASSOCIATION

SUBJECT: CALL FOR NOMINATIONS

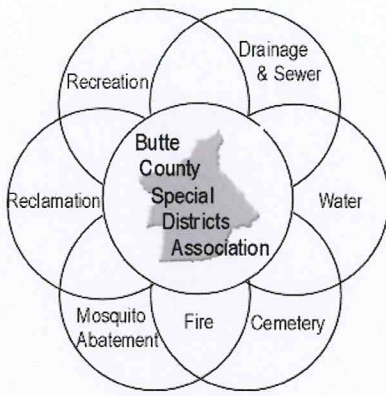
The Butte County Special Districts Association (BCSDA) is seeking qualified individuals for nominations to the Executive Board. By-laws state the Association must conduct two General Membership meetings and a minimum of four Executive Board meetings during the calendar year. When the Executive Board meets, it is at 11:30 a.m. on the Tuesday before the scheduled LAFCo Board Meeting. This luncheon is currently held in Oroville, and usually lasts until 1:00 p.m.

On December 31, 2011, four vacancies will exist on the BCSDA Executive Board. The vacancies include two Enterprise District and two Non-Enterprise District Directorships. Nominations are being requested. Based on the Association By-laws, the term is two years, therefore, terms of newly appointed members will begin January 2012 and end December 31, 2013.

Please discuss with your Board the opportunity for its General Managers and Members to become involved in the Association. Completed Nomination Forms can either be mailed to BCSDA, c/o Lake Oroville Area Public Utility District, emailed to jrusten@loapud.com, or facsimile to (530) 533-1750. **Nominations must be received by Friday, November 11, 2011.**

For additional information, please contact Jan Rustenhoven at (530) 533-2000. Thank you for your continued interest and support in the Butte County Special Districts Association.

Enclosure: Nomination Form



BUTTE COUNTY SPECIAL DISTRICTS ASSOCIATION

UNITED FOR PROGRESS

c/o Lake Oroville Area Public Utility District
1960 Elgin Street
Oroville, CA 95966
(530) 533-2000 Phone
(530) 533-1750 Fax

REQUEST FOR NOMINATIONS

Non-Enterprise Executive Board Member

Nominee term: January 2012 to December 2013

_____ Name

_____ District

_____ Name

_____ District

Enterprise Executive Board Member

Nominee term: January 2012 to December 2013

_____ Name

_____ District

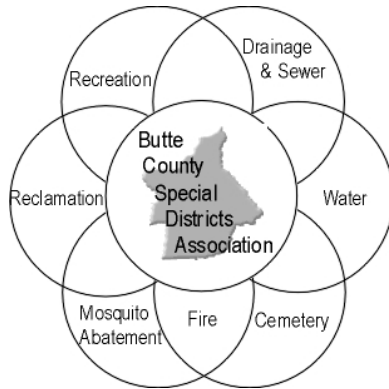
_____ Name

_____ District

Signature of Chairman or District Designated Representative

Date

**Nominations must be received via U.S. Mail, Fax (530-533-1750), or email
(jrusten@loapud.com) no later than
Friday, November 11, 2011**



BUTTE COUNTY SPECIAL DISTRICTS ASSOCIATION

UNITED FOR PROGRESS

c/o Lake Oroville Area Public
Utility District
1960 Elgin Street
Oroville, CA 95966
(530) 533-2000
FAX: (530) 533-1750

2011 EXECUTIVE BOARD MEMBERSHIP ROSTER

Non-Enterprise Board Members & Terms

Nan Johnson (PCD)		December 2011
Fred Brooks (CARD)		December 2011
Jim Brinson (DRPD)	Vice President	December 2012
Jan Hill (FRPRD)		December 2012

Non-Enterprise Board Honorary Member

Marcia Avram (KCD)

Enterprise Board Members & Terms

Jim Edwards (SFWPA)		December 2011
Alan Brown (LOAPUD)		December 2011
T.C. Dennis (LOAPUD)	President	December 2012
Mike Glaze (SFWPA)		December 2012

Enterprise Board Honorary Member

Jean Brown (SFWPA)

LAFCo Members & Terms

Larry Duncan (PID-LAFCo - Enterprise)

Mark Sweany (CARD-LAFCo – Non-Enterprise)

Loren Gill (FRRPD-LAFCo-Alternate)



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Michael Glaze, General Manager

DATE: October 5, 2011

RE: Forbestown Ditch – Moratorium on Annexations
Agenda Item for 10/25/11 Board of Directors Meeting

The Forbestown Ditch Strategic Planning Committee met on August 8, and again on October 4, 2011. Its primary focus was to analyze operations and demand on that ditch system to ensure its long-term ability to meet the needs of its existing customers (i.e., annexed parcels and parcels having a right to service by virtue of the Railroad Commission's order).

Of great concern to the Committee was the reality that, except for wet years, and notwithstanding the considerable improvements that have been made to the Lower Forbestown Ditch system, Agency personnel have great difficulty providing adequate service to customers at the end of the system. In fact, as was experienced in 2009, they are unable to get water all the way to the end of the system during when the previous winter and spring have been very dry.

RECOMMENDATIONS:

Extend Domestic Water to Lost Horizon Drive

To optimize the Agency's ability to supply water to all the existing Forbestown Ditch customers, even during dry years, the Committee recommends that the domestic-water distribution system should be extended up Lost Horizon Drive so that nine current ditch customers along that street could be removed from the Lake Wyandotte system. (Planning for that project has already been incorporated into staff's budget-development process and a 2013 project-completion date is anticipated.) Although Lake Wyandotte has been operated consistently in the recent past without the need to subsidize it with water from the Forbestown Ditch, transferring the Lost Horizon Drive customers over to the domestic system would almost guarantee that Lake Wyandotte could support the demand of its remaining customers with water stored in the winter time from its immediate watershed and without drafting from the Forbestown Ditch.

Terminate Surplus Water Agreements on the Forbestown Ditch

Out of the 81 parcels that previously received, and/or are presently receiving water from the Forbestown Ditch, nine of them received service by virtue of a surplus water contract (only two agreements have been approved for 2011). The surplus water agreements specify that the surplus water is only a "temporary source" of water and will not be supplied "when needed for use elsewhere within the Agency, or on lands entitled to water under the Railroad Commission's order." Every agreement has a termination date at the end of the year in which it is executed.

Theoretically, the sale of surplus water should only be approved for parcels at the end of a particular ditch or distribution system, where the water "tails off" and is no longer available for use by Railroad Commission parcels and those within the boundaries of the district. None of the nine parcels that have been sold surplus water meet this criteria (i.e., they are situated along the ditch and not at its end).

The Committee is recommending that no surplus agreements be approved in the future for parcels on the Forbestown Ditch, and that the owners of the two parcels presently receiving surplus water be advised that they will be sold surplus water through 2012, if they elect, but that no surplus water agreements will be approved for their parcels thereafter.

Establish a Permanent Moratorium on Annexations for Forbestown Ditch Service

As noted above, Agency personnel have great difficulty providing adequate service to customers at the end of the system except in wet years, notwithstanding the considerable improvements that have been made to the Lower Forbestown Ditch system. Adding additional customers only exacerbates the Agency's ability to provide a consistent and reliable service to those who already have a right to service as owners of a parcel within the Agency's boundaries or because they own a "Railroad Commission parcel." Therefore, the Committee is recommending that no new parcels be annexed into the Agency's boundaries for the purpose of receiving irrigation water from the Forbestown Ditch.

The Committee is asking the Board to take the following action:

"I move that: (1) applications for annexation of parcels to the Agency for the purpose of receiving Forbestown Ditch water service will no longer be accepted; (2) no surplus water agreements will be approved for Forbestown Ditch water after 2011, except for those two currently enforce, which two will not be renewed after 2012; and, (3) planning shall commence to extend domestic water service to parcels along Lost Horizon Drive so that irrigation water service may be terminated in that vicinity once the domestic system is in place.



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Michael Glaze, General Manager

DATE: October 18, 2011

RE: Hydrologic Monitoring System Evaluation
Agenda Item for 10/25/11 Board of Directors Meeting

In April 2009 the Board approved a consulting services agreement with Innovative Hydrology for a survey and network design for hydrologic monitoring. Until this time, and for several decades previously, Surface Water Data had operated and maintained the Agency's gauging stations and collected and reported the stream-flow data to the U.S. Geological Survey (USGS). Part of SFWPA's obligation under the license issued to operate its power project by the Federal Energy Regulatory Commission (FERC) is the installation, operation and maintenance of stream-flow gauging stations throughout the project and the reporting of the data therefrom to the USGS.

The proposal to engage the services of Innovative Hydrology came after a staff analysis of how to optimize the Agency's stream-flow data needs. It was the recommendation of staff after this analysis that the Agency develop a network design for converting the old gauging stations to real-time data loggers that report via a satellite communication system to a central computer where the data is stored and available for analysis by staff and system-modeling software.

In addition to engaging Innovative Hydrology, the Board approved creation of a hydrographer position, and Eddie Paul was subsequently promoted into it. He immediately began training for the position, as well as assisting Innovative Hydrology personnel in the conversion of the old gauging stations. By the end of September, all the conversions were complete and Eddie assumed responsibility for the Agency's hydrologic monitoring program, including reporting to USGS.

The 2010-11 water year (October – September) is now complete and Mr. Paul, the gauging stations and the satellite communication system have performed very well. However, because the system is only one-year old, now would be a good time to have Innovative Hydrology return to each of the sites and evaluate their condition and performance. Such an evaluation would ensure that the Agency's hydrologic monitoring program would move forward with all systems functioning optimally. As the Agency moves into a new FERC license, controlling and ensuring correct volumes of water released for environmental purposes becomes more complex than under the current license conditions. Also, under the new power purchase agreement with PG&E, the value of water for generation purposes is significantly greater than

under the old agreement, making efficient and non-wasteful releases for consumptive purposes economically imperative.

Enclosed is a proposal from Mark Heggli (Innovative Hydrology) to perform the system evaluation discussed above. His cost is \$5,500.

Mr. Heggli is both a meteorologist and hydrologist whose firm has the capabilities of providing telecommunication design/installation services, hydrologic and meteorologic data collection, and hydrologic studies. He was previously employed by DWR. Since 2004, as Innovative Hydrology, he has been working on flood warning, water quality, water supply, and water management projects around the world in Australia, Romania, Canada, Bulgaria, Croatia, Mexico, Columbia, Cyprus, Rwanda, Morocco, the Phillipines, and India.

The requested action is:

“I move acceptance of the proposal from Innovative Hydrology to perform an evaluation and review of the Agency’s hydrologic information system at a cost not to exceed \$5,500, and authorize the General Manager to execute a standard consulting-services agreement with Innovative Hydrology for said work.”

CONSULTING SERVICES AGREEMENT

THIS AGREEMENT is entered into effective as of September 23, 2011 by Innovative Hydrology ("Consultant") and South Feather Water and Power Agency ("Agency").

ARTICLE 1 SCOPE

Consultant shall perform the services (the "Services") described generally in the Consultant's Proposal dated September 9, 2011, attached hereto, and as described hereafter. The scope of work shall include an evaluation and review of the Agency Hydrologic Information System developed under agreement with Consultant dated March 8, 2010. The evaluation will include an assessment and review of system components installations, operations, and maintenance. Components include the 16 field sites with multiple measurement parameters, power, data collection, and GOES communication. Components also include the data receive, archive and dissemination hardware and software systems. The evaluation includes a two-day field inspection by two members of the Innovative Hydrology team. Deliverable will be a final report including summarized observations, and qualitative evaluations of the system components, and professional recommendations.

This Agreement shall become effective as of the date shown above and shall remain in effect unless amended in writing or terminated pursuant to Article 8, herein. Agency may engage other consultants as Agency deems necessary to timely and efficiently carry out tasks required to evaluate its hydrographical information system, and this Agreement shall not be considered an exclusive engagement by Agency of Consultant for Agency's requirements.

ARTICLE 2 COMPENSATION

For performance of the Services, Agency shall pay Consultant a fixed price of \$5,500. Said compensation shall be paid to Consultant upon completion and acceptance of the Hydrologic Information System Evaluation described above and in said Proposal.

ARTICLE 3 REPRESENTATIVES

Consultant will function in cooperation with and subject always to the direction and control of Agency's authorized officers or designated representatives. Consultant shall also designate a representative for the execution of the Services. Consultant's and Agency's representatives are:

Consultant:

Innovative Hydrology
Mark Heggli, President
228-0 Grass Valley Hwy., #211
Auburn, CA 95603
Telephone: (530) 885-8858
mark.heggli@innovativehydrology.com

Agency:

Agency: South Feather Water and Power Agency
Matt Colwell, Water Division Manager
2310 Oro-Quincy Hwy.
Oroville, CA 95966
Telephone: (530) 534-2238
mcolwell@southfeather.com

Additional contact information can be found under Article 15.

ARTICLE 4 PERSONNEL

All Consultant's staff, and its subcontractors' staff, assigned to these Services shall be approved by the Agency prior to their assignment to task activities. Consultant shall confirm that the technical qualifications of all personnel assigned to these tasks meet applicable industry standards. In the event that the individuals who are initially assigned by Consultant to perform Services under this Agreement are removed, replaced or reassigned by Consultant, such removal, replacement or reassignment may result in harm and costs to Agency. Consultant agrees not to remove, replace or reassign any such individuals without the approval of Agency. Such approval shall not be unreasonably withheld or delayed. Consultant shall make reasonable efforts to maintain continuity in its staffing and will provide Agency ample notification if any such changes are made. Notwithstanding the foregoing, it is agreed by Consultant that Agency is relying on the expertise and experience of Consultant as well as Consultant's subcontractors, and therefore Consultant shall not terminate the services of a subcontractor employed for the benefit of Agency without the prior approval of Agency, which approval shall not be unreasonably withheld. Agency may, in its discretion, direct Consultant to replace subcontractors that Agency reasonably believes are not performing in a satisfactory manner. Consultant shall ensure that subcontracts contain express acknowledgement by subcontractors of Agency's right to replace them and shall require the subcontractors to waive any claims or damages in connection therewith, save and except for costs and fees incurred to the date of said termination, plus reasonable costs incurred as a result of said termination.

ARTICLE 5 RECORDS

To the extent Agency does not otherwise specifically request delivery of records or results, Consultant agrees to retain all records and results of Services performed under this Agreement for a period of not less than two years after completion of the Services. At Agency's request Consultant will deliver a copy of any or all original field notes, investigative notes, tests, photographs, records, calculations, details, drawings, specifications, summaries and reports produced and collected in the course of Services performed under this Agreement.

ARTICLE 6 OWNERSHIP OF DOCUMENTS

Agency shall own all data, reports, information, manuals, drawings, or other written, recorded (digital or otherwise), photographic or visual materials, or other deliverables produced in the performance of this Agreement for use by Agency. Consultant shall retain no ownership interest in any of the foregoing described deliverables except as may be described herein, and such deliverables, including those retained by Consultant in the normal course of Consultant's business, may not be reused, sold, transferred or conveyed without Agency's permission. Any reuse of Consultant prepared documents, except for the specific purpose intended hereunder, will be at Agency's sole risk and without liability or legal exposure to Consultant or its subconsultants.

ARTICLE 7 CONFLICT OF INTEREST/BUSINESS ETHICS

Consultant shall exercise reasonable care and diligence to prevent any actions or conditions that would result in a conflict with Agency's interest. During the term of this Agreement, neither Consultant nor its subcontractors shall accept employment or engage in any work that creates a conflict of interest between Consultant and Agency, or in any way compromises the interest of Agency for which

Contractor's services are being retained. Consultant shall immediately notify Agency of any and all such violations of this clause, by Consultant, its agents or subcontractors, immediately upon becoming aware of such violations. Failure of such notification or lack of knowledge of a violation by Consultant or its subcontractors shall not excuse the performance hereunder.

ARTICLE 8 TERMINATION

Agency may suspend or terminate this Agreement by giving thirty days prior written notice to Consultant, but such termination shall not relieve Agency of its obligation to pay Consultant for expenses incurred and Services performed up to the date of termination and all reasonable expenses that Consultant incurs by reason of such termination. Any reports, drawings or other documents prepared for Agency prior to the effective date of such termination shall be delivered to Agency by Consultant prior to Agency's release of its final payment to Consultant.

ARTICLE 9 WARRANTY

Consultant warrants that its Services are performed with the degree of skill and care that is required by current, good and sound professional procedures and practices, and in conformance with generally accepted professional standards prevailing at the time the Services are performed so as to ensure that the Services performed are correct and appropriate for the purposes contemplated in this Agreement.

ARTICLE 10 LIMITATION OF LIABILITY

Consultant's total cumulative liability for any claims of any kind, whether based on contract, tort (including negligence and strict liability), under any warranty or otherwise, for any loss or damage relating to this Agreement or the performance of the Services, shall not exceed the insurance coverage specified in this Agreement, and Agency hereby releases Consultant from any liability in excess of such amount. This monetary limitation shall survive the failure of any exclusive remedy.

Neither Agency nor Consultant shall be liable, whether based on contract, tort (including negligence and strict liability), under any warranty or otherwise relating to the Services or this Agreement, for any consequential, indirect, special, punitive or incidental loss or damage, any damage or loss of any property or equipment, or any loss of use of property or equipment, and Agency and Consultant mutually release the other from any liability for all such losses and damages.

All of the provisions of this Agreement providing for limitation or protection against liability of Consultant and Agency shall also protect their directors, officers and employees, and affiliated entities of Consultant and their directors, officers, employees and affiliates, and shall apply regardless of the fault, negligence or strict liability of Consultant, its directors, officers, employees or affiliates.

ARTICLE 11 INSURANCE

Consultant shall provide and continue to maintain during the performance of this Agreement insurance coverage as follows:

- i. Workers' Compensation insurance in compliance with statutory limits.
- ii. Employers' Liability with the following limits:

Each Accident	\$1,000,000
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- iii. Business Automobile Liability with the following limits:

Combined Single Limit	\$1,000,000
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- iv. Commercial General Liability with the following limits:

Each Occurrence	\$500,000
General Aggregate	\$1,000,000
- v. Professional Liability Insurance with the following limits:

Any One Claim	\$500,000
Policy Aggregate	\$1,000,000

ARTICLE 12 SAFETY

Consultant shall plan and conduct its work to safeguard persons and property from injury. Consultant shall direct performance of the work in compliance with reasonable safety and work practices and applicable federal, state and local laws, rules and regulations. Agency may designate safety precautions in addition to those in use or proposed by Consultant. Agency reserves the right to inspect the work and to halt work to ensure compliance with reasonable and safe work practices and with applicable federal, state, and local laws, rules and regulations.

ARTICLE 13 DELAYS

Neither party shall be considered in default in the performance of its obligations hereunder, except obligations to make payments for Services previously performed, to the extent that the performance of any such obligation is prevented or delayed by any cause that is beyond the reasonable control of the affected party. In the event either party claims that such performance of its obligations was prevented or delayed by any such cause, that party shall promptly notify the other party of that fact, and of the circumstances preventing or delaying performance. Such party claiming a cause-delayed performance shall endeavor, to the extent reasonable, to remove the obstacles which preclude performance.

ARTICLE 14 DISPUTES

Any dispute, controversy or claim arising out of or relating to this Agreement or the breach thereof, shall be subject to mediation under the guidelines of the American Arbitration Association in Sacramento, California, as a condition precedent to the institution of arbitration. If any dispute, controversy or claim cannot be resolved through mediation, it shall be resolved through binding arbitration under the commercial arbitration rules of the American Arbitration Association in Sacramento, California. The Arbitrator shall give full effect to Articles 8 and 9 and shall not deviate therefrom.

ARTICLE 15 NOTICES

Any notice related to this Agreement shall be in writing and shall be considered duly made if delivered to the other party at the following addresses:

Consultant:

Innovative Hydrology
Mark Heggli, President
228-0 Grass Valley Hwy., #211
Auburn, CA 95603
Telephone: (530) 885-8858
mark.heggli@innovativehydrology.com

Agency:

Agency: South Feather Water and Power Agency
Matt Colwell, Water Division Manager
2310 Oro-Quincy Hwy.
Oroville, CA 95966
Telephone: (530) 534-2238
mcolwell@southfeather.com

Either party may change its address or numbers for receiving notices by giving written notice of such change to the other party.

ARTICLE 16 SURVIVAL

The provisions of this Agreement which by their nature should survive expiration, cancellation or termination of this Agreement, including but not limited to provisions regarding warranty and liability, shall survive such expiration, cancellation or other termination.

ARTICLE 17 LAW

This Agreement shall be governed by and interpreted in accordance with the laws of the State of California, excluding its conflicts of law principles.

ARTICLE 18 INTEGRATION

These terms and conditions are intended by Consultant and Agency to constitute the final and complete statement of their agreement, and all prior proposals, communications and understandings related to the subject matter of this Agreement are hereby superseded. No modification or amendment of this Agreement shall be effective unless the same is in writing and signed by both parties.

CONSULTANT: INNOVATIVE HYDROLOGY

SOUTH FEATHER WATER AND POWER AGENCY

By: _____
Mark Heggli

By: _____
Michael Glaze

Title: President

Title: General Manager

Date: _____

Date: October 25, 2011



2280 Grass Valley Hwy #211
Auburn, CA 95603
+1 (530) 885 8858

Estimate

Date	Estimate #
9/9/2011	IH-2011-02

Name / Address
South Feather Water and Power Agency Kathy Zancanella 2310 Oro-Quincy Hwy. Oroville, CA 95965

Project

Description	Qty	Rate	Total
Perform Evaluation of Hydromet Network to Include 2 days in the field resulting in a Report detailing the operation and maintenance of the SFWP Hydromet Network	1	5,000.00	5,000.00
Travel related expenses	1	500.00	500.00
		Total	\$5,500.00



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Art Martinez, Manager of Information Systems
Kathy Zancanella, Power Division Manager
Steve Wong, Finance Division Manager

DATE: October 20, 2011

RE: Disposition of Surplus Communication System Equipment
Agenda Item for 10/25/11 Board of Directors Meeting

The Agency has made significant progress towards the replacement and upgrading of the Power Division's microwave communications system. The project is substantially complete with only minor work is anticipated for next Spring. The equipment and radios that are being replaced by the microwave project are no longer of value to South Feather. A schedule of this equipment is attached.

The agreement whereby PG&E committed to funding a portion of the microwave project (one of several "legacy" capital improvement projects that were being planned and designed prior to the expiration of the previous power purchase agreement) included removal and disposal by PG&E of the replaced equipment and radios.

The recommended action is:

"I move that the items on the attached Schedule of Replaced Communication System Equipment and Radios, dated October 20, 2011, be declared surplus and removed from the list of Power Division assets."

South Feather Water Power Agency
Surplus Communication System Assets
October 20,2011

<u>Description</u>	<u>FA_ID</u>
DELL INSPIRON 8100 S#CN-03N642-12961-237-6943 MODEL PP01X (ESCO's DEPT)	Pwr-C2004
DELL INSPIRON 18100 LAPTOP COMP. S#B419911 MODEL PP01X (HQ)	Pwr-C2003
GATEWAY PC (#0023158004) & MONITOR (#L1C10902615)	Pwr-COMP2001
GATEWAY 2000 NOTEBOOK COMP-SOLO S# 0009659036 MODEL 2300 XL (HQ)	PWR-C903
SIEMENS MICROWAVE/SUNSET HILL W/O 12-83 & 16-88	PWR-C746
SIEMENS MICROWAVE/FORBSTOWN HQ SITE W/O 12-83 & 16-88	PWR-C747
UNIDEN MOBIL RADIO S#7300-4244 MODEL FMH350DT (SFPP) (IN #8)	PWR-C701
UNIDEN MOBIL RADIO S# 7300-4249 MODEL FMH350DT (SFPP)	PWR-C702
UNIDEN MOBIL RADIO S#7300-4252MODEL FMH350DT (SFPP)	PWR-C703
UNIDEN MOBIL RADIO S#7300-4248 MODEL FMH350DT (SFPP) (IN #73)	PWR-C704
UNIDEN MOBIL RADIO S#4300-4245 MODEL FMH350DT (SFPP) (IN #47)	PWR-C705
UNIDEN MOBIL RADIO S#4300-4251 MODEL FMH350DT (SFPP)	PWR-C706
UNIDEN VHF MOBILE RADIO S#53000596 MODEL AMH350DS (GRADER C38)	PWR-C682
UNIDEN VHF MOBILE RADIO S#43000666 MODEL AMH350DS	PWR-C683
UNIDEN UNDERASH MOBILE RADIO S#53003429 MODEL FMH350DT(SUNSET HILL)	PWR-C684
UNIDEN SYNTH MOBILE RADIO S#53000949 MODEL FTH600DT	PWR-C685
UNIDEN PROM PROGRAMMER S#52000025 MODEL AMX500 (COMM TECH OFFICE)	PWR-C688
CONTROL SIGN STATION IDENTIFIER MODEL 3 S#8468 (SUNSET HILL)	PWR-C670
CONTROL SIGNAL STATION IDENTIFIER MODEL CWID 50B S#8633 (SUNSET REPETR STA.)	PWR-C671
UNIDEN VHF MOBILE RADIO MODEL AMH350DS S# 43005382 (IN C10)	PWR-C661
UNIDEN VHF MOBILE RADIO MODEL AHM350DS S# 43005359 (IN C20)	PWR-C662
UNIDEN VHF MOBILE RADIO MODEL AMH350DS S# 53000899	PWR-C664
UNIDEN VHF MOBILE RADIO MODEL AMH350DS S# 53000901	PWR-C665
UNIDEN VHF MOBILE RADIO MODEL AMH350DS S# 53000898 (IN #81)	PWR-C666
UNIDEN VHG MOBILE RADIO MODEL AMH350DS S# 53000764	PWR-C667



SOUTH FEATHER WATER & POWER AGENCY

TO: Public Recipients of Agenda Information

FROM: Michael Glaze, General Manager

DATE: October 19, 2011

RE: Closed Session Agenda Item for 10/25/11 Board of Directors Meeting

The information provided to Directors for this agenda item is not available to the public. The purpose for this item is to give the Board an opportunity to confer with legal counsel about litigation in which the Agency is involved. The Board is permitted by law (Brown Act) to confidentially discuss information that might prejudice its legal position and is exempt in such situations from the Brown Act's requirement that matters before the Board be discussed in public. Attendance during this closed-session item will be limited to Directors, support staff, and legal counsel.