



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
Tuesday; November 23, 2021; 2:00 P.M.**

Remote participation is available via Zoom by logging into:

<https://us02web.zoom.us/j/89316081078>

Meeting ID: 893 1608 1078

+16699006833,,89316081078# US (San Jose)

Phone Users: Dial *9 to raise hand for comments

A. Roll Call

B. Business Item

Assembly Bill 361

(Tab 1)

Renewal of Resolution 21-26a-10 authorizing remote meetings for health and safety anti-spread during COVID-19 and Delta variant pandemic.

C. Approval of Minutes – Regular Meeting on October 26, 2021

(Tab 2)

D. Approval of Checks/Warrants

(Tab 3)

E. Staff Reports

(Tab 4)

F. Business Items

(Tab 5)

Selection of Independent Auditors

Review and approval of an independent external financial auditors for years ending December 31, 2021 through 2023.

ACWA/JPIA Commitment to Excellence

(Tab 6)

Seeking unanimous approval of the Commitment to Excellence Program.

G. Public Comment – Public comment for Directors can be submitted anytime via e-mail. However, in order to be read into the record during the meeting it must be submitted to PublicRelations@southfeather.com by 12:00 P.M. Tuesday November 23, 2021. 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.

H. 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 the matter is placed on the agenda of a properly publicized and convened Board meeting.

I. Closed Session

(Tab 7)

Conference with Legal Counsel – Existing Litigation

(Paragraph (1) of subdivision (d) of Government Code section 54956.9)

- A. Name of Case: North Yuba Water District v. South Feather Water & Power Agency et al., Sutter County Superior Court Case No. CVCS21-0001857
- B. Name of Case: South Feather Water & Power Agency v. North Yuba Water District et al., Butte County Superior Court Case No. 21CV00815

Conference with Legal Counsel – Existing Litigation

(Paragraph (1) of subdivision (d) of Government Code Section 54956.9)

Name of case: Glaze v. South Feather Water & Power Agency, Butte County Superior Court Case No. 20CV01283

J. Open Session

Report of closed session actions.

K. Adjournment

The Board of Directors is committed to making its meetings accessible to all citizens. Any persons requiring special accommodation to participate should contact the Agency's secretary at 530-533-2412, preferably at least 48 hours in advance of the meeting.

RESOLUTION NO. 2021-26a-10 (**SUBSEQUENT**)

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH FEATHER WATER AND POWER AGENCY RE-AUTHORIZING REMOTE MEETINGS CONSISTENT WITH AB 361

WHEREAS, the South Feather Water and Power Agency (“Agency”) is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of South Feather Water and Power Agency’s legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the Agency’s legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote participation in meetings by members of a legislative body by audio or video or both, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition of remote meetings is a declaration of a state of emergency by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, the Board of Directors previously adopted a Resolution, Number 2021-26a-10 on October 26, 2021, finding that the requisite conditions exist for the Agency’s legislative bodies to conduct remote meetings without compliance with paragraph (3) of subdivision (b) of section 54953; and

WHEREAS, as a condition of extending the use of the provisions found in section 54953(e), the Board of Directors must reconsider the circumstances of the state of emergency; and the Board of Directors has done so; and

WHEREAS, emergency conditions persist in the Agency, specifically, on March 4, 2020 the Governor proclaimed State of Emergency to exist in California due to the COVID-19 pandemic, which proclamation is still active; and

WHEREAS, state and local officials have recommended social distancing measures, including masks, to slow the spread of COVID-19 and the contagious Delta variant, and to protect the vulnerable and immunocompromised members of the community; and

WHEREAS, the Board of Directors does hereby find that the state of emergency continues to directly impact the ability of members to meet in-person; and

WHEREAS, the Board does hereby find that the state of emergency continues to directly impact the ability of members to meet in-person; and

WHEREAS, as a consequence of the State of Emergency and recommended social distancing measures, the Board of Directors does hereby find that the legislative bodies of South Feather Water and Power Agency shall continue to conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, the public may attend meetings and comment by calling in or by using the Zoom platform as described in meeting agendas.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF SOUTH FEATHER WATER AND POWER AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Re-ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020.

Section 3. Remote Teleconference Meetings. The Agency's General Manager, Secretary, and legislative bodies are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continuing to conduct open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 4. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) 30 days from adoption of this Resolution or (ii) such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Agency's legislative bodies may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the Board of Directors of South Feather Water and Power Agency, this _____ day of _____, 2021, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

President of the Board

ATTEST:

Secretary of the Board

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

**Tuesday, October 26, 2021, 2:00 P.M.,
Agency Board Room, 2310 Oro-Quincy Hwy., Oroville, California**

In Compliance with the State of California Governor's Office Executive Order N-29-20, SFWPA will limit "in-person" attendance for the October 26, 2021 Board Meeting.

General Manager Moseley explained the October board meeting format and performed roll call for the limited individuals in the room and for those participating via Zoom Meeting.

Individuals that are not critical to agenda items below may fully participate in the meeting via Zoom by logging into:

<https://us02web.zoom.us/j/86217429070>

Meeting ID: 862 1742 9070

+1 669 900 6833 US (San Jose)

For those join on phone, press *9 to raise your hand

DIRECTORS PRESENT (In Person): Tod Hickman, Rick Wulbern, Dennis Moreland, John Starr

DIRECTORS ABSENT: Vacancy Division 4

STAFF PRESENT (In Person): Rath Moseley, General Manager; Dustin Cooper, Legal Counsel; Jaymie Perrin EH&S Manager; Art Martinez, Manager Information Systems; Steve Wong, Finance Division Manager; Dan Leon, Power Division Manager; Regulatory Compliance Manager, Kristen McKillop

STAFF PRESENT (By Zoom): None

STAFF ABSENT: None

OTHERS PRESENT (Via Zoom): Charles Sharp, Kyler Ryaden – Somach, Simmons & Dunn

CALL TO ORDER

President Wulbern called the meeting to order at 2:08 p.m., and led the Pledge of Allegiance.

BUSINESS ITEM

Assembly Bill 361

Approval of Resolution 21-26a-10 authorizing remote meetings for health and safety anti-spread during COVID-19 and Delta variant pandemic. Director Hickman requested staff to evaluate air recirculation and filter options inside the board room.

Ayes: Moreland, Starr, Hickman, Wulbern

Vacant: Division 4

(No public comment)

APPROVAL OF MINUTES

M/S: (Wulbern/Starr) approving the Minutes of the regular meeting of September 28, 2021.

Ayes: Moreland, Hickman

Vacant: Division 4

No public comment

APPROVAL OF CHECKS AND WARRANTS

M/S (Hickman/Starr)

Ayes: Moreland, Wulbern

Vacant: Division 4

Approving the total General Fund and Joint Facilities operating fund expenditures for the month of September 2021 in the amount of \$2,294,907.16 and authorize the transfer of \$1,250,000.00 from the TCB General Fund to the TCB Accounts Payable and Payroll Fund for the payment of regular operating expenses.

No public comment

BUSINESS ITEM

Division 4 Mid-Term Vacancy

The board interviewed candidate Ruth Wright who was seeking appointment to the vacant division 4 director seat. At the conclusion of questions and answers, Ms. Wright was appointed to the division 4 director seat for the balance of term ending on the first Friday in December 2022.

M/S (Wulbern/Hickman)

Ayes: Moreland, Starr

Vacant: Division 4

FINANCE MANAGER'S REPORT

The Finance Manager communicated the following:

FEMA

A \$16,144.65 payment was received from FEMA for activity following the 2020 Bear Fire, North Complex West Zone. The costs were incurred for debris removal and post-fire restoration efforts around the Woodleaf penstock (SF-14 area) and the Forbestown penstock, our project code 2020-0201.

OPEB actuarial valuation

A request for proposal has been prepared for a full Other Post-Employments Benefits (OPEB) actuarial valuation as of December 31, 2021 and a roll-forward valuation as of December 31, 2022. Governmental Accounting Standards Board (GASB) standard 75 requires full valuations every two years. The most recent valuation, with a measurement date of December 31, 2020, reported a total OPEB liability of \$18,193,643.

RFP for independent auditing services

A request for proposal for independent auditing services has been prepared and issued for the three year period commencing with this year, the year ending December 31, 2021. Our most recent auditors, Richardson and Co., served the Agency for nine years. The RFP is posted on the Agency's website and was sent to 18 accounting firms with recent audit experience with water and power entities, special districts and other northern California local governments. It is anticipated a recommendation will be provided to the Board at its November 23, 2021 meeting.

Prefunding pension and OPEB liabilities

The concept of prefunding pension and/or OPEB liabilities has been given only slight consideration by the Agency in the past. This year, various options and opportunities will be explored and presented in conjunction with adoption of the 2022 Annual Budget.

2022 Budget

Preliminary work papers and schedules for next year's budget have been prepared and are currently being reviewed. Agency management staff are meeting on October 28 and November 3 to review budget

requests and prepare a Proposed Budget. On Tuesday, November 9, 2021, 2:00pm, the Finance Committee, comprised of Directors Wulbern and Hickman, is scheduled to review the Proposed Budget, with adoption by the full Board at the November 23, 2021 regularly scheduled meeting.

POWER DIVISION MANAGER'S REPORT

The Power Division Manager communicated the following:

OPERATIONS

South Fork tunnel average flow was 16 CFS. Slate Creek tunnel was closed. At month's end, Little Grass Valley and Sly Creek Reservoirs combined storage was 68 kAF and no project reservoirs spilling.

MAINTENANCE

Powerhouses

- Woodleaf Powerhouse: In service.
- Forbestown Powerhouse: In service.
- Kelly Ridge Powerhouse: In service. Annual maintenance outage scheduled for November 1 to 12. Commission Station Service circuit breaker.
- Sly Creek Powerhouse: In service. Annual maintenance outage performed October 4 to 15.

Other Project Assets

- Remove Little Grass Valley boat docks from service and secure for winter
- Remove brush and debris from Ponderosa Res trash rack
- Remove brush and debris from Slate Creek diversion trash rack
- Inspect and clean Miners Ranch Canal, intake racks and screens
- Perform quarterly penstock inspections
- Inspect project roadways and access
- Repair spillway concrete column at Little Grass Valley Reservoir
- Replace staff gauge at LGV South Fork downstream
- Repair crane at Sly Creek Powerhouse
- Perform fleet vehicle and heavy equipment maintenance
- Clean and organize vehicle maintenance shop
- Perform preventative maintenance on 2-way voice radios
- Fabricate personnel crossings for Miners Ranch Canal

PROJECTS

Energy Delivery Transition Projects. The Agency's Energy Transition effort includes the following projects that are in various states of progress.

Comm Network Project. Agency crew are performing testing of new communication hardware and wiring at various power project locations, and fabricating security enclosures for equipment.

CAISO Meter Installation Project. Field installation and commissioning by vendor scheduled for November 2021.

Scada Replacement Project. Field installation and commissioning by vendor scheduled for November 2021.

Sunset Comm Site Standby Generator. Agency crew installed remaining security perimeter fencing and completed tie-in of new propane storage tank.

Sly Creek Powerhouse Restroom. Agency crew completed installation of plumbing and fixtures.

PERSONNEL

Equipment Mechanic / Operator. Danny Grubbs has transferred to the Equipment Mechanic / Operator position in the Power Division. Danny possesses valuable training and experience in mechanical repair of vehicles and heavy equipment, as well as operation of heavy equipment. We welcome him to the Power Division group.

Hydro Civil Engineer Recruitment. Agency is recruiting for a Hydro Civil Engineer. The position includes the following responsibilities: Perform civil engineering and project management for Agency water and power facilities, including storage reservoirs, dams, hydroelectric plants, conveyance and distribution systems, and buildings. Manage Agency's dam safety program as defined in regulatory guidelines. Develop engineering procedures, methods and standards, and perform project management for maintenance and upgrade of Agency facilities and assets.

REGULATORY COMPLIANCE MANAGER'S REPORT

WATER RIGHTS - BENEFICIAL USES AND COMPLIANCE

POWER

Dam Safety. Hydro Maintenance Foreman Brian Howerton, Water Maintenance Foreman Zenaido Martinez and Regulatory Compliance Manager Kristen McKillop worked with DWR Division of Safety Of Dams engineers to inspect all nine Agency dams October 19-20. In addition to the management team interfacing directly with the DSOD staff, several members of the Power Division team worked both days to ensure that all of the required system components (spillway gates, valves, etc) were operated on a precise schedule to ensure that the inspections could be completed ahead of the incoming storms. The ongoing safe, and well-maintained manner in which our Agency dams are operated were highly praised by the DSOD team.

DOMESTIC

Sacramento-San Joaquin Delta Watershed Curtailment Order. The Agency continues to submit the monthly reporting as required of those with rights to divert over 5,000 acre-feet per year. On October 19th, a temporary suspension of curtailments in the Sacramento-San Joaquin (Delta) Watershed was announced. Weather conditions, and resulting water supply conditions, will continually be evaluated, and re-imposition of curtailments will be announced at any time the State Water Resources Control Board deems necessary.

Statewide Drought Update. On October 20th, Governor Newsom declared a drought emergency statewide (increased from 50 counties), but did not order mandatory water conservation. Although his July request for Californians to voluntarily reduce water use by 15% fell quite short of that goal, the Governor did not mandate any further statewide conservation efforts.

IRRIGATION

With the Irrigation season close on October 18th staff was able to adequately prepare for the wet weather that started in the subsequent days to alleviate high water loss and potential overtopping as the upper water shed delivers conveyance downstream. Debris management will be a focus as the burn scar areas could present a physical challenge to infrastructure.

RECREATION

The US Forest Service Feather River Ranger District has now closed all of the campgrounds surrounding Little Grass Valley Reservoir, as well as Strawberry Campground.

GENERAL MANAGER'S REPORT

The General Manager communicated the following:

Domestic Water Treatment Operations

The total Miners Ranch Treatment Plant (MRTP) treated water production for the month of September totaled 228.70 million gallons.

The total Bangor Treatment Plant (BTP) treated water production for the month of September totaled .960 million gallons.

Red hawk Ranch Raw Pump Station Total Production >1.1 million gallons.

All bacteriological requirements were good for the MRTP, BTP. Miners Ranch production was 103% of average over the past 5 years. Bangor's production was 110% of average over the past 5 years.

2021 Irrigation Season

The irrigation season came to a close on October 18th to prepare for the forecasted rainfall in the following days. Focus shifts to maintenance on areas that require the canals and ditches to be free or low elevations of water. Prior to October 18th all conveyance was in full operation and last year's repairs resulted in a decrease of 36% consumption on the Lower Forbestown ditch. Savings were realized on the Palermo and Bangor systems as well.

District Wide Water Operations

Heavy emphasis was placed on vegetation management and general clean up at Lake Wyandotte and the surrounding area this month. Palermo Canal also was a focus area for debris clean up.

An emergency culvert conversion to pipe repair was necessary on Mt. Ida Road for raw water conveyance under the roadway. Aging steel pipe is experiencing a number of leaks and the initial focus is on replacement near roads. A 160' section of pipe replacement is planned for November on South Villa.

November and December Board Meetings

The regularly scheduled board meetings during the holiday season were discussed.

November 23rd – Week of Thanksgiving

December 28th

It was agreed that the November meeting will stay as scheduled on November 23rd and the December meeting will be moved up one week to December 21st.

Water Division Mechanic Vacancy

A vacancy exists in water division as a result of an internal transfer to power division in the capacity of mechanic/equipment operator.

The agency received no internal applicants, and nine external for the water division position. Of the nine, five were selected for in person interviews and staff is considering each applicants experience, skill sets and team dynamics with the goal of extending an offer in November.

2021 Water Transfer

The water transfer to Santa Clara Valley Water District initiated on Monday October 18th. Potential challenges have arose specific to moving water through the delta and are being collectively worked between Santa Clara, South Feather, DWR and the SWRCB. Current weather conditions may alleviate the issue and a meeting is scheduled for October 27th to review and plan next steps if necessary.

BUSINESS ITEMS

Annexation into SFWPA District

M/S (Wulbern/Starr)

Ayes: Hickman, Wright, Moreland

Adoption of resolution 21-26b-10 for parcel annexation into the district.

2021 Urban and Multibenefit Drought Relief Grant

Ayes: Hickman, Starr, Wright, Wulbern, Moreland

NOES: None

ABSTAINED: None

Adoption of resolution 21-26c-10 for submission of a Drought Relief Funding Grant application.

INFORMATION ITEM

Independent Annual Audit Contract

The General Manager shared the solicitation letter and content sent to financial auditing firms seeking Request for Proposals for a three year term commencing December 31, 2021.

PUBLIC COMMENT

Consistent with Executive Order N-29-20 from the Executive Department of the State of California the Board Chambers will not be physically open to the public and can joined via Zoom with the instructions above. Public comment for Directors can be submitted anytime via e-mail. However, in order to be read into the record during the meeting it must be submitted to PublicRelations@southfeather.com by 12:00 P.M. Tuesday October 26, 2021.

No e-mail public participation provided by any attendees for the month of October.

Note: A full audio recording is available on the Agency website capturing all public comments in its entirety. (southfeather.com/board agenda information)

DIRECTORS' REPORTS

Director Starr: Shared that he was glad to have Ruth aboard.

Director Moreland: Welcomed Ruth and offered to help her with anything she made need. Hickman and him are looking for water. Thanked staff considering fires and COVID.

Director Wulbern: Welcomed Ruth Wright to the Board. Thanked staff for their hard work and appreciates the efforts on grant applications.

Director Hickman: Welcomed Ruth. Echoes the other director's with all the work and accomplishments.

Director Wright: Thanks for the appointment and excited to be here.

RECESS (4:00 p.m.)

President Wulbern offered opportunity for public comment on closed session items.

CLOSED SESSION (convened at 4:17 p.m.)

The following items were discussed during closed session.

Conference with Real Property Negotiators (Government Code § 54956.8)

Real property purchase or exchange for water storage via Bangor Canal and APN 028-370-025.

Conference with Legal Counsel – Existing Litigation

(Paragraph (1) of subdivision (d) of Government Code section 54956.9

- A. Name of Case: North Yuba Water District v. South Feather Water & Power Agency et al., Butte County Superior Court Case No. 21CV01563
- B. Name of Case: South Feather Water & Power Agency v. North Yuba Water District et al., Butte County Superior Court Case No. 21CV00815

Conference with Legal Counsel – Existing Litigation

(Paragraph (1) of subdivision (d) of Government Code Section 54956.9)

Name of case: Glaze v. South Feather Water & Power Agency, Butte County Superior Court Case No. 20CV01283

Conference with Legal Counsel – Existing Litigation

(Paragraph (1) of subdivision (d) of Government Code Section 54956.9)

Name of case: Gorbman v. Richardson, Butte County Superior Court Case No. 20CV01348
Civil Subpoena – Rath Moseley, General Manager South Feather Water and Power Agency.

OPEN SESSION (reconvened at 5:07 p.m.) – President Wulbern announced that legal counsel was given direction during the closed session.

ADJOURNMENT (5:08 p.m.)

Rath T. Moseley, Secretary

Rick Wulbern, President



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors
FROM: Steve Wong, Finance Division Manager
DATE: November 12, 2021
RE: Approval of Warrants and Checks
Agenda Item for 11/23/21 Board of Directors Meeting

October, 2021 expenditures are summarized as follows:

Checks:	<u>60915</u> to <u>61079</u>	\$ <u>448,132.58</u>
Electronic Fund Transfers:	<u>211001</u> to <u>211009</u>	\$ <u>309,072.82</u>
Payroll Expenses:		\$ <u>461,063.43</u>
TOTAL EXPENDITURES FOR OCTOBER, 2021		\$ <u>1,218,268.83</u>

At October 31, 2021, the authorized balance available was \$480,446.28.

Action to approve all expenditures:

"I move approval of expenditures for the month of October, 2021 in the amount of \$1,218,268.83 and authorize the transfer of \$1,250,000.00 from the TCB General Fund to the TCB Accounts Payable and Payroll Fund for the payment of regular operating expenses."

South Feather Water and Power Agency
Checks Paid, October, 2021

Date	Check #	Vendor Name	Account	Description	Amount
10/08/2021	60915	Alpine Portable Toilet Service	07-63-63171	Portable toilet service, Oct 2021	270.00
10/08/2021	60916	Capital One	07-63-63100	Bottled water, batteries	114.05
10/08/2021	60917	Comcast Business	07-63-63251	PH meters, Oct 2021	135.07
10/08/2021	60918	Consolidated Electrical Distributors, Inc.	07-66-66370	Breaker	117.98
10/08/2021	60919	Dawson Oil Company	07-66-66160	Grease	49.48
10/08/2021	60920	DMV Renewal	07-64-64501	Seaark Boat, E-110	20.00
10/08/2021	60921	Line-X of Yuba Sutter	07-00-11150/2021-0977	Camper shell w/ladder	2,333.76
10/08/2021	60922	MSC Industrial Supply Company	07-62-62102	Respirator masks, ratchet, flashlight	393.27
10/08/2021	60923	Mt. Shasta Spring Water	07-63-63100	Bottled water	120.00
10/08/2021	60924	Orkin Pest Control	07-64-64201	Ground squirrel suppression, Sep 2021	731.00
10/08/2021	60925	Oroville Cable & Equipment Co.	07-66-66171	Nitrogen, ear plugs, tank rental Sep 2021	471.51
10/08/2021	60926	Oroville Ford	07-66-66150	Radiator, track bar, brake pads, filters	744.07
10/08/2021	60927	Powerplan - OIB	07-66-66150	Loader repair parts, E-93	1,706.44
10/08/2021	60928	Ray's General Hardware	07-64-64260	Lumber, plywood, brushes, screws	206.00
10/08/2021	60929	Riebes Auto Parts	07-66-66150	Shocks, Clearance lights, filters	694.19
10/08/2021	60930	Talley Communications	07-68-68100	Static desiccators	399.68
10/08/2021	60931	Tyndale Company, Inc.	07-63-63103	Flame resistant clothing	1,921.95
10/08/2021	60932	Valley Iron Inc. Oroville	07-64-64260	Wedge anchors, steel screws	228.64
10/08/2021	60933	Voith Hydro Inc. (VHY 4120)	07-00-11150/2021-0976	Guide bearing oil coolers	65,985.56
10/08/2021	60934	Access Information Management	01-50-50201	Shredding service, Sep 2021	159.93
10/08/2021	60935	Accularm Security Systems	01-50-50201	Alarm monitoring, Oct 2021	188.00
10/08/2021	60936	Acme Toilet Rentals, LLC	01-00-11204/2021-0205	Portable toilet rental service, 8/5/21-9/1/21	219.10
10/08/2021	60937	AT&T	07-68-68251	Circuit billing, 8/19/21-9/18/21	163.00
10/08/2021	60938	Better Deal Exchange	01-53-53260	N95 mask, gloves, painting supplies	195.31
10/08/2021	60939	Borges & Mahoney Company	01-53-53260	Bonnet and stem assembly, diaphragm in viton	1,036.30
10/08/2021	60940	CDW Government, Inc.	07-68-68100	Media converter, 2	44.88
10/08/2021	60941	Comer's Print Shop	01-55-55102	Delinquent notice paper	355.58
10/08/2021	60942	Fastenal Company	01-54-54104	Blue marking spray paint	28.56
10/08/2021	60943	Grainger Inc.	01-56-56370	Rotor group kit/fuel tank rebuild kit	189.79
10/08/2021	60944	K-Gas, Inc.	01-56-56160	Propane	16.14
10/08/2021	60945	Lake Oroville Area PUD	01-53-53250	MRTP sewer service, 7/1/21-9/30/21	132.18
10/08/2021	60946	North Valley Barricade, Inc.	01-54-54104	Blue & white marking paint	455.25
10/08/2021	60947	Office Depot, Inc.	01-50-50106	Calendars, binders, dividers	360.22
10/08/2021	60948	Oroville Hospital	07-62-62226	COVID 19 tests	250.00
10/08/2021	60949	R&B a Core & Main Company	01-00-22300	14" wide range coupler	714.45
10/08/2021	60950	Josh Reynolds	07-63-63394	Employee health benefit reimbursement, Sep 2021	60.00
10/08/2021	60951	Richardson & Company	01-50-50216	Audit services, 2020 financial statements	4,180.00
10/08/2021	60952	RSA Security LLC	07-00-11204/2021-0971	Quickstart service	5,000.00
10/08/2021	60953	Tractor Supply Credit Plan	01-56-56150	Lopper, tow strap & hitch kit, lifting sling	187.18

South Feather Water and Power Agency
Checks Paid, October, 2021

Date	Check #	Vendor Name	Account	Description	Amount
10/08/2021	60954	Ted Travis	01-54-54394	Employee health benefit reimbursement, Sep 2021	60.00
10/08/2021	60955	Vista Net, Inc.	01-58-58360	Antivirus license, internet filtering	5,152.74
10/08/2021	60956	William Wong	01-50-50394	Employee health benefit reimbursement, Sep 2021	60.00
10/12/2021	211001	Cal PERS	01-50-50400	Employee health insurance, Oct 2021	179,438.68
10/13/2021	211002	CalPERS	01-50-50413	Employee retirement contributions, PE 10/2/21	42,129.01
10/13/2021	211003	CalPERS 457 Plan	01-00-22908	Employee 457 contributions, PE 10/2/21	2,071.67
10/13/2021	211004	Lincoln Financial Group	01-00-22908	Employee 457 contributions, PE 10/2/21	1,671.17
10/14/2021	60957	A D P, Inc.	01-50-50201	Payroll processing, Sep 2021	1,459.65
10/14/2021	60958	ACWA-JPIA	01-50-50400	Employee vision & dental insurance, Oct & Nov 2021	19,248.40
10/14/2021	60959	ACWA-JPIA	01-50-50393	Workers compensation, Jul-Sep 2021	31,470.22
10/14/2021	60960	Butte County Sheriff's Office	01-00-25209	Employee wage garnishment, PE 10/2/21	791.09
10/14/2021	60961	Empower Retirement/MassMutual	01-00-22908	Employee 457 contributions, PE 10/2/21 payroll	100.00
10/14/2021	60962	Mission Square Retirement	01-00-22908	Employee 457 contributions, PE 10/2/21 payroll	1,650.00
10/14/2021	60963	Nationwide Retirement	01-00-22908	Employee 457 contributions, PE 10/2/21 payroll	1,255.70
10/15/2021	60964	Allied Electronics & Automation	07-68-68100	AC fans, power cords, lithium batteries	202.08
10/15/2021	60965	Aramark Uniforms	07-66-66103	Employee jackets, coveralls	749.84
10/15/2021	60966	Bayshore Safety & Industrial Supplies	07-63-63100	Oil sorbent booms	1,115.53
10/15/2021	60967	CDW Government, Inc.	07-00-11202/2021-0971	Tripp Lite PDU Hot Swap	162.60
10/15/2021	60968	Robert Cherry	07-63-63103	Employee coveralls	193.02
10/15/2021	60969	Copy Center	07-63-63201	Shipping fees	202.53
10/15/2021	60970	Fastenal Company	07-66-66100	Bolts	40.19
10/15/2021	60971	Home Depot Credit Service	07-64-64370	Paint, pressure washer, mini clip light	577.53
10/15/2021	60972	McMaster Carr Supply Co.	07-68-68100	Storage boxes, lens covers for welding helmets	174.03
10/15/2021	60973	Oroville Ford	07-66-66150	Brake rotors, exhaust manifold, U-Joints	1,578.54
10/15/2021	60974	Oroville Safe & Lock	07-63-63100	Padlocks	299.55
10/15/2021	60975	P G & E - Sacramento	07-63-63501	Gen interconnection agr, Oct 2021	7,010.37
10/15/2021	60976	Tehama Tire Service, Inc.	07-66-66150	Tires for T-217, 4	990.07
10/15/2021	60977	Advanced Document Concepts	01-50-50380	Printer/copier maintenance, Sep 2021	597.35
10/15/2021	60978	AT&T	07-60-60251	Circuit billing, Sep & Oct 2021	1,138.17
10/15/2021	60979	AT&T Long Distance	07-60-60251	Local calls service, 8/23/21-9/23/21	12.47
10/15/2021	60980	AT&T Long Distance	01-53-53251	Service, 9/2/21-9/29/21	2.81
10/15/2021	60981	Better Deal Exchange	01-54-54295	Box valves, chain, paint scrappers	48.99
10/15/2021	60982	Bobcat of Chico	01-56-56150	Seal kit, rod, o-ring	752.77
10/15/2021	60983	Comcast	01-53-53251	Communication services, Oct 2021	2,381.96
10/15/2021	60984	Constant Contact	01-58-58360	Email blast service	780.00
10/15/2021	60985	Dawn Cook	01-56-56394	Employee health benefit reimbursement, Sep 2021	50.00
10/15/2021	60986	Grid Subject Matter Experts	07-60-60201	Professional services, Sep 2021	2,875.00
10/15/2021	60987	Home Depot Credit Service	01-54-54104	Concrete mix, lumnber, PVC pipe cement, fittings	389.21
10/15/2021	60988	Industrial Power Products-Oroville	01-56-56150	Weedeater ignition, string	101.66

South Feather Water and Power Agency
Checks Paid, October, 2021

<u>Date</u>	<u>Check #</u>	<u>Vendor Name</u>	<u>Account</u>	<u>Description</u>	<u>Amount</u>
10/15/2021	60989	Matco Tools	01-56-56274	Breaker extension	124.97
10/15/2021	60990	Mendes Supply Company	01-56-56100	Paper products, cleaning supplies	119.28
10/15/2021	60991	O'Reilly Auto Parts	01-56-56150	Batteries, blower motor & wheel	347.03
10/15/2021	60992	Oroville, City of	01-00-22907	City utility users tax, Sep 2021	2,834.99
10/15/2021	60993	P G & E	01-54-54250	Service, 8/3/21-9/23/21	8,976.37
10/15/2021	60994	Pace Supply Corp.	01-00-22300	Meter line setter, 3/4 fcta	6,208.35
10/15/2021	60995	Recology Butte Colusa Counties	01-56-56250	Garbage service, Sep 2021	958.31
10/15/2021	60996	U S A Blue Book	01-53-53260	Gloves, Cleaning supplcs, MRTP supplies	285.42
10/15/2021	60997	Van Ness Feldman, LLP	07-60-60208	Professional services, Sep 2021	157.50
10/15/2021	60998	Vista Net, Inc.	01-58-58360	Firewall support, 11/9/21-11/9/22	1,317.00
10/19/2021	211005	CA Dept of Tax & Fee Administration	07-66-66103	Sales and use tax, 3rd qtr	12.00
10/22/2021	60999	AT&T	01-53-53251	MRTP internet, 10/14/21-11/13/21	74.90
10/22/2021	61000	AT&T	01-50-50251	Local calls service, 10/10/21-11/9/21	3,297.77
10/22/2021	61001	AT&T Mobility	07-68-68251	Cell phone & tablets service, 10/3/21-11/2/21	517.74
10/22/2021	61002	Pace Analytical Services, LLC	01-53-53201	Water testing	883.20
10/22/2021	61003	Better Deal Exchange	01-56-56274	Hedge shears, pliers, poly tube, bushings	130.47
10/22/2021	61004	Butte County	01-50-50501	Utility encroachment permit, Mt. Ida	112.00
10/22/2021	61005	Chemtrade Chemicals US LLC	01-53-53102	MRTP supplies	6,294.70
10/22/2021	61006	Leroy Christophersen	01-58-58394	Employee health benefit reimbursement, Sep 2021	41.00
10/22/2021	61007	Hach Co.	01-53-53201	Multiparameter colorimeter	1,652.98
10/22/2021	61008	Itron	01-58-58360	Handheld maintenance	4,352.27
10/22/2021	61009	McMaster Carr Supply Co.	01-53-53260	Compact flow switch, structural sealant, wrench	178.13
10/22/2021	61010	Minasian, Meith, Soares	07-60-60208	Professional services, Sep 2021	24,712.51
10/22/2021	61011	Northern Safety Co., Inc.	01-52-52103	Sweatshirts, safety glasses, ear plugs	254.64
10/22/2021	61012	Paramex Screening Services	01-52-52226	Random DOT samples	945.00
10/22/2021	61013	R&B a Core & Main Company	01-00-22300	Pipe fittings, tubings, parts	1,623.75
10/22/2021	61014	John Shipman	01-53-53394	Employee health benefit reimbursement, Sep 2021	60.00
10/22/2021	61015	Spherion Staffing LLC	01-55-55201	Temp staffing assistance, PE 10/3, 10/10, 10/17/21	1,995.08
10/22/2021	61016	U S A Blue Book	01-53-53260	MRTP supplies	13.59
10/22/2021	61017	U.S. Bank	07-68-68251	Encroachment permit, web conferencing, Acrobat Pro	747.29
10/22/2021	61018	Verizon Wireless	01-53-53251	Cell phone service, 9/11/21-10/10/21	122.22
10/22/2021	61019	Allied Electronics & Automation	07-00-11202/2021-0971	Ethernet switch	260.59
10/22/2021	61020	AT&T	07-66-66251	Local calls, 10/10/21-11/9/21	4,271.67
10/22/2021	61021	AT&T	07-60-60251	Circuits, 10/10/21-11/9/21	354.64
10/22/2021	61022	AT&T	07-60-60251	Fiber optic connection, Oct 2021	1,139.74
10/22/2021	61023	Bank of America - Bank Card	07-66-66103	Employee coveralls, job posting	549.74
10/22/2021	61024	Batteries Plus Bulbs	07-68-68100	Batteries	196.91
10/22/2021	61025	Bayshore Safety & Industrial Supplies	01-61-61100	Oil sorbent bilge booms	126.56
10/22/2021	61026	CA Dept of Tax & Fee Administration	01-53-53250	Elec energy surcharge, 3rd qtr	135.72
10/22/2021	61027	Capital One	01-61-61100	Batteries	50.29

South Feather Water and Power Agency
Checks Paid, October, 2021

<u>Date</u>	<u>Check #</u>	<u>Vendor Name</u>	<u>Account</u>	<u>Description</u>	<u>Amount</u>
10/22/2021	61028	Dawson Oil Company	07-64-64100	Cylinder oil	218.19
10/22/2021	61029	HDR Engineering, Inc.	07-67-67201	Professional services, FERC requirements	696.29
10/22/2021	61030	Helwig Carbon Products Inc.	07-63-63260	Exciter brushes	496.93
10/22/2021	61031	O'Reilly Auto Parts	07-66-66150	Transmission control solenoid	281.01
10/22/2021	61032	Oro Dam Auto Center	07-66-66150	T-Cas actuator assy, T-201	775.13
10/22/2021	61033	Ray's General Hardware	07-63-63370	Paint rollers, brushes, tape	22.25
10/22/2021	61034	Riebes Auto Parts	07-66-66150	Filters, wiper blades, oxygen sensor, oil	1,745.73
10/22/2021	61035	John Shipman	01-53-53394	Employee health benefit reimbursement, Aug 2021	60.00
10/22/2021	61036	Talley Communications	07-68-68100	Cable prep tools, cartridge trimmer	126.29
10/22/2021	61037	Tehama Tire Service, Inc.	07-66-66150	Tires for T-109, 4	953.79
10/22/2021	61038	Tom's Septic Service	07-65-65201	Campground service	1,100.00
10/28/2021	211006	Cal PERS	01-50-50414	Unfunded accrued liability, Oct 2021	38,046.08
10/28/2021	211007	CalPERS	01-50-50413	Employee retirement contributions, PE 10/16/21	42,128.49
10/28/2021	211008	CalPERS 457 Plan	01-00-22908	Employee 457 contributions, PE 10/16/21	2,071.68
10/28/2021	211009	Lincoln Financial Group	01-00-22908	Employee 457 contributions, PE 10/16/21	1,504.04
10/29/2021	61039	Carole Cash	01-00-22200	UB refund, acct 17282	21.50
10/29/2021	61040	Derek and Danielle Devine	01-00-22200	UB refund, acct 16106	49.66
10/29/2021	61041	Denise Fullerton	01-00-22200	UB refund, acct 16756	28.04
10/29/2021	61042	Richard & Tamara Sanders	01-00-22200	UB refund, acct 14347	14.68
10/29/2021	61043	Pauline Sweeney	01-00-22200	UB refund, acct 4026	137.54
10/29/2021	61044	Shane & Morgan Szymczak	01-00-22200	UB refund, acct 17483	27.89
10/29/2021	61045	Herbert Weitzel	01-00-22200	UB refund, acct 2117	20.26
10/29/2021	61046	Better Deal Exchange	01-61-61100	Air filters, spray bottles, thread sealer, tape	402.00
10/29/2021	61047	Kaman Industrial Technology	01-61-61260	Bearings	347.12
10/29/2021	61048	K-Gas, Inc.	07-66-66250	Propane	800.57
10/29/2021	61049	MSC Industrial Supply Company	07-63-63100	Desiccant breather, sanding cloth, pad holder	490.48
10/29/2021	61050	Oroville Cable & Equipment Co.	07-63-63100	Sanding pads, threadlocker, silicone	187.73
10/29/2021	61051	Orr Safety Corporation	07-62-62102	Gloves	256.57
10/29/2021	61052	Riebes Auto Parts	07-63-63100	Threadlocker, filter, fuses	94.50
10/29/2021	61053	STAPLES CREDIT PLAN	07-63-63100	Label maker, batteries, calendars	383.63
10/29/2021	61054	Tehama Tire Service, Inc.	07-66-66150	Tires, T-201, T-123, 10 tires	2,919.06
10/29/2021	61055	TJ/H2b Analytical Services USA LLC	01-61-61201	Oil sampling testing	1,108.33
10/29/2021	61056	AFLAC	01-00-22915	Employee supplemental insurance, PE 9/4 & 9/18/21	1,249.74
10/29/2021	61057	Butte County Sheriff's Office	01-00-25209	Employee wage garnishment, PE 10/16/21	791.09
10/29/2021	61058	Empower Retirement/MassMutual	01-00-22908	Employee 457 contributions, PE 10/16/21	100.00
10/29/2021	61059	IBEW #1245	01-00-25207	Member dues, Oct 2021	5,762.93
10/29/2021	61060	Mission Square Retirement	01-00-22908	Employee 457 contributions, PE 10/16/21	1,650.00
10/29/2021	61061	Nationwide Retirement	01-00-22908	Employee 457 contributions, PE 10/16/21	1,309.49
10/29/2021	61062	Reliance Standard Life	01-50-50402	Employee life insurance, Nov 2021	936.18

South Feather Water and Power Agency
Checks Paid, October, 2021

Date	Check #	Vendor Name	Account	Description	Amount
10/29/2021	61063	Standard Insurance	01-50-50403	Employee disability insurance, Nov 2021	3,044.37
10/29/2021	61064	ACWA/JPIA	01-52-52390	Liability insurance, 10/1/21-9/30/22	146,382.00
10/29/2021	61065	AT&T Mobility	01-58-58251	Cell phone & tablet service, 9/19/21-10/18/21	371.47
10/29/2021	61066	Better Deal Exchange	01-56-56370	Hoses, lubricant, tape measure	132.45
10/29/2021	61067	Boone's Farm & Feed Supply	01-54-54295	Rice straw	64.95
10/29/2021	61068	Dish Network	01-50-50251	Satellite service, 11/8/21-12/7/21	139.77
10/29/2021	61069	Fastenal Company	01-56-56370	Ear plugs, shop towels, hardware	105.10
10/29/2021	61070	Hach Co.	01-53-53260	MRTP supplies	107.76
10/29/2021	61071	Home Depot Credit Service	01-53-53260	Lumber, concrete mex, battery, light bulbs	869.72
10/29/2021	61072	Industrial Power Products-Oroville	01-56-56150	Weedeater cover, spool insert	50.37
10/29/2021	61073	M J B Welding Supply	01-53-53260	Electrode	29.76
10/29/2021	61074	McMaster Carr Supply Co.	01-53-53260	Bushing reducing adapters	40.13
10/29/2021	61075	Office Depot, Inc.	01-50-50106	Copy paper, binder, office supplies	57.54
10/29/2021	61076	O'Reilly Auto Parts	01-56-56150	Oil, oil filters, relays, lift support	206.41
10/29/2021	61077	Oroville, City of	01-56-56250	Sewer service, 11/2021-10/2022	3,975.36
10/29/2021	61078	R&B a Core & Main Company	01-00-22300	Pipe fittings, tubings, parts	10,416.53
10/29/2021	61079	Ramos Oil Co.	01-56-56160	Fuel, diesel	5,897.38
				Total October, 2021 checks	757,205.40

**SOUTH FEATHER WATER AND POWER AGENCY
PAYROLL
OCTOBER, 2021**

PAYROLL STATE & FED TAXES	\$	155,896.85
PAYROLL NET		305,166.58
TOTAL OCTOBER, 2021		\$ 461,063.43

**CREDIT CARD DETAIL
OCTOBER 2021 PAYMENTS**

<u>Check #</u>	<u>Date</u>	<u>Description</u>	<u>Amount</u>
61017	10/22/2021	U.S. Bank	
		Acrobat Pro	\$ 407.76
		Encroachment permit	323.87
		Web conferencing	15.66
			\$ 747.29
61023	10/22/2021	Bank of America	
		Employee coveralls	\$ 514.74
		Job posting	35.00
			\$ 549.74



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Steve Wong, Finance Division Manager

DATE: November 17, 2021

RE: General Information (regarding matters not scheduled on the agenda)
11/23/21 Board of Directors Meeting

FEMA, CalOES

Payments totaling \$7,031 were received from FEMA and CalOES on November 8, 2021 for the removal of hazardous trees at SF-14 and the South Fork Diversion Dam areas, damage caused by the North Complex Bear Fire. The two payments reimbursed the Agency for 93.75% of the actual contract cost.

Supplemental Appropriation/Budget Modification 2021-2

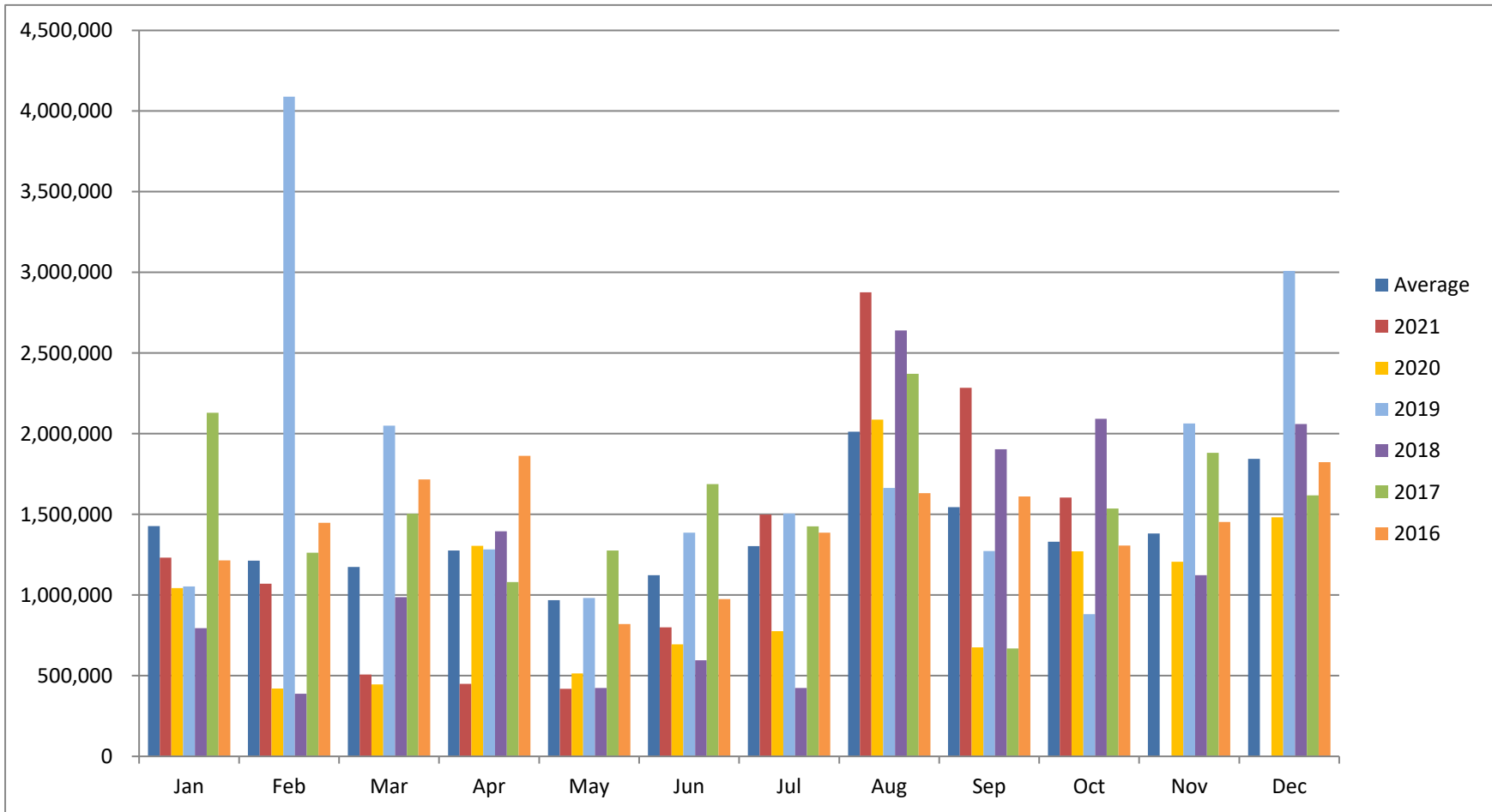
Following staff review of current year 2021 expenses, and in preparing for the 2022 Annual Budget, Supplemental Appropriation/Budget Modification 2021-2 has been prepared to authorize 2021 appropriations for:

07-66-66100-6, truck bed boxes, 3, \$3,200
07-66-66150-6, Loader tires, 4 and grader tires, 6, \$18,000;
07-66-66150-6, bumpers and winch for heavy tractor driver and utility trucks, \$8,500; and
07-66-66150-6, lumber rack for utility worker, F350, \$5,000.

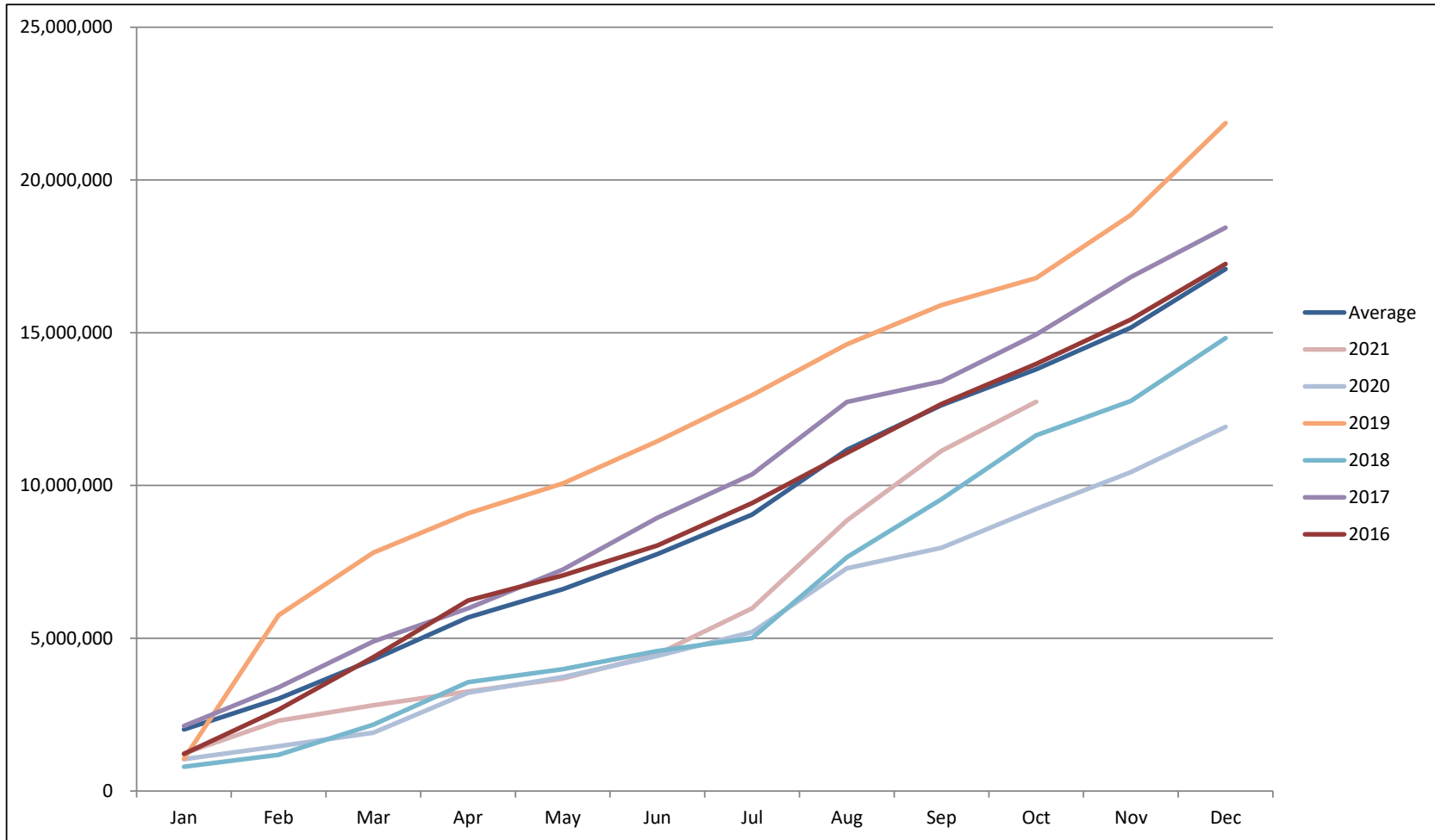
2022 Annual Budget

The Board's Finance Committee, comprised of Directors Wulbern and Hickman, met with Agency staff on Wednesday, November 10, 2021, to review the 2022 Proposed Budget. An overview of the fund projections for the General Fund and the Joint Facilities Operating Fund (JFOF) was provided. The analysis included discussion of prepayment of JFOF debt, payment into an irrevocable trust fund for pension and Other Post-Employment Benefits and the distribution of JFOF net revenue to the General Fund and North Yuba Water District. Proposed appropriations for an accounting technician, treatment plant operator and meter service technician were discussed. A \$30,000 appropriation was added into the 2022 Proposed Budget for an initial new reservoir assessment. The 2022 Proposed Budget will be presented at the Board's December 21, 2021 meeting to provide time for Finance Committee input and comment from both Directors Wulbern and Hickman.

South Feather Water and Power Agency Power Sold By Month



South Feather Water and Power Agency
Cumulative Power Purchases
All Powerhouses



South Feather Water and Power Agency
 Joint Facilities Operating Fund Financial Report
 November 23, 2021 Board Meeting

<u>ACCOUNT</u>	<u>DESCRIPTION</u>	<u>2018 ACTUAL</u>	<u>2019 ACTUAL</u>	<u>2020 ACTUAL</u>	<u>2021 BUDGET</u>	<u>2021 ESTIMATED</u>	<u>2021 ACTUAL Thru 10/31/2021</u>	<u>% of Budget</u>
REVENUE:								
41150	Sale of Electricity	13,176,083	19,631,871	10,640,356	15,225,000	17,000,000	15,191,679	100%
41502	Water Sales	0	0	0	4,250,000	5,600,000	0	0%
42306	Current Service Charges	12,748	15,512	12,131	12,500	53,500	17,476	140%
42331	Concession Income	0	0	0	0	0	0	0%
49250	Interest Income	249,218	665,557	427,042	50,000	50,000	0	0%
49321	State of CA, DWR	0	0	0	0	0	0	0%
49405	Insurance Reimbursement	2,612,050	601,929	80,452	75,000	67,865	67,865	90%
49521	JFOF FEMA	2,099,530	0	443,135	0	64,875	59,250	100%
49522	JFOF CalOES	0	0	114,763	0	47,950	46,536	100%
49929	Miscellaneous Income	425,360	9,306	0	1,000	2,700	2,700	270%
	Total Revenue	18,574,989	20,924,175	11,717,879	19,613,500	22,886,890	15,385,506	78%
OPERATING EXPENSES:								
	JFOF Administration, 7-60	1,723,713	1,784,397	1,553,895	1,213,500	1,544,631	1,021,815	84%
	JFOF Environ Health & Safety, 7-62	229,584	249,927	301,601	317,683	352,781	300,320	95%
	JFOF Power Plant Operations, 7-63	3,742,733	2,598,221	3,064,477	2,943,388	2,937,682	1,933,982	66%
	JFOF Water Collection, 7-64	880,262	1,407,771	1,360,772	1,081,468	1,250,927	859,991	80%
	JFOF Campgrounds, 7-65	124,600	63,417	68,420	105,295	15,125	9,343	9%
	JFOF Plant & Shop, 7-66	466,854	631,973	610,160	608,758	990,080	662,088	109%
	JFOF Regulatory Compliance, 7-67	555,488	366,331	301,879	708,763	438,610	230,446	33%
	JFOF Communications & IT, 7-68	218,997	203,186	196,466	265,630	441,609	291,190	110%
	TOTAL OPERATING EXPENSES	7,942,231	7,305,223	7,457,670	7,244,483	7,971,443	5,309,175	73%
	SUB-TOTAL, REVENUES OVER OPER EXP	10,632,758	13,618,952	4,260,209	12,369,018	14,915,447	10,076,331	
Other Non-Operating Expenses:								
	North Yuba Water District	(709,000)	(709,000)	(709,000)	(709,000)	(709,000)	(354,500)	50%
	2019 Install Purch Agmt Principal	0	(773,548)	(1,476,613)	(5,875,907)	(5,875,907)	(764,711)	13%
	Interest Expense	(220,113)	(399,896)	(308,393)	(236,578)	(236,578)	(136,559)	58%
	Pension Expense	(238,342)	(434,687)	0	0	0	0	0%

South Feather Water and Power Agency
 Joint Facilities Operating Fund Financial Report
 November 23, 2021 Board Meeting

<u>ACCOUNT</u>	<u>DESCRIPTION</u>	<u>2018 ACTUAL</u>	<u>2019 ACTUAL</u>	<u>2020 ACTUAL</u>	<u>2021 BUDGET</u>	<u>2021 ESTIMATED</u>	<u>2021 ACTUAL Thru 10/31/2021</u>	<u>% of Budget</u>
	Capitol Outlay							
2010-0828	LCD Crest Modification			1,005,477	82,000	51,245	51,245	0%
2018-0944	JFOF PP-KPH TSV 2019			330,612	26,000	2,130	2,130	8%
2019-0949	FPH Cooling Water Flow Device Rebuild			3,597	0	0	0	0%
2019-0950	WPH Cooling Water Flow Device Rebuild			7,994	0	0	0	0%
2019-0952	MRC road repair, Panels 300 and 526			641,291	65,000	0	0	0%
2019-0960	KPH Septic System Repair / Replacement			6,144	10,000	10,000	0	0%
2020-0197	IT-Email exchange server			3,887	0	0	0	0%
2020-0965	PH booster pump impellers			8,352	0	0	0	0%
2020-0966	JS-Sly Creek Access Road Pavement Patching			45,750	0	0	0	0%
2020-0967	WC-SCD 30KW Propane Generator			60,787	0	0	0	0%
2020-0968	PP-WPH #2 cooling water pump and motor			13,090	0	0	0	0%
2020-0969	PP-KPH HVAC			6,740	0	0	0	0%
2020-0970	CO-CAISO meter installation			23,357	45,000	45,000	13,610	30%
2021-0971	CO-SCADA upgrade				150,000	150,000	116,289	78%
2021-0972	FPH New Sump Oil Skimmer (Abanaki model SM8C02-F)				6,000	7,316	7,316	100%
2021-0973	Vehicle replacement-F350 utility worker truck w/utility bed, T-117				70,000	70,000	53,728	77%
2021-0974	WC-South Fork Div Dam Safety Buoys and Log Booms				12,000	8,907	8,949	75%
2021-0975	CO-Sunset SCADA master install				30,000	30,000	29,717	99%
2021-0976	PP-FPH Guide Bearing Oil Coolers				63,000	66,000	65,986	0%
2021-0977	JS-Truck Replacement for Comm Tech, replace T-101, 2004 Ford Expedition				40,000	40,000	38,855	97%
2021-0978	WC-STA 8 Bridge Deck Replacement				15,000	9,000	8,538	57%
2021-0979	CO-Sunset backup generator, pad and appurtenances				42,500	42,500	31,256	74%
2021-0980	PP-Forbestown Div Dam SF-17 Access. Repl Stairs, Bridge, Trail				12,000	11,000	8,336	69%
2021-0981	CO-Generator Building at Sunset Hill Main Comm Site				12,000	12,500	12,302	103%
2021-0982	JS-Concrete aprons and approach, welding shop and hazmat				15,000	15,000	5,423	36%
2021-63a	PP-FPH TSV Seal Kit				55,000	0	0	0%
2021-63f	PP-FPH oil level device upgrade				18,000	0	0	0%
2021-63g	PP-WPH oil level device upgrade				18,000	0	0	0%
2021-63d	PP-FPH sump pump and motor				14,000	0	0	0%
2021-63f	PP-FPH Cooling Water Strainer System				200,000	0	0	0%
2021-63g	PP-FPH Repaint Generator Housing, Circuit Breaker, and Transformer				150,000	0	0	0%
2021-63h	PP-WPH Repaint Generator Housing and TWD System				130,000	0	0	0%
2021-63i	PP-Metal Worker, Pirahna				35,000	0	0	0%

South Feather Water and Power Agency
 Joint Facilities Operating Fund Financial Report
 November 23, 2021 Board Meeting

<u>ACCOUNT</u>	<u>DESCRIPTION</u>	<u>2018 ACTUAL</u>	<u>2019 ACTUAL</u>	<u>2020 ACTUAL</u>	<u>2021 BUDGET</u>	<u>2021 ESTIMATED</u>	<u>2021 ACTUAL Thru 10/31/2021</u>	<u>% of Budget</u>
	Capital Outlay (con't)							
2021-63j	PP-Welding Shop Cabinets				20,000	0	0	0%
2021-63l	PP-Shop Press				7,500	0	0	0%
2021-63p	PP-HART Communicator				7,500	7,500	0	0%
2021-63q	PP-WPH outside welder for runner repairs				7,500	0	0	0%
2021-64a	WC-SPH PSV & penstock recoating				175,000	0	0	0%
2021-64b	WC-LGV Res penstock drain valve replacement				60,000	0	0	0%
2021-64c	WC-LGV Res Fish Flow Valve Replacement				20,000	0	0	0%
2021-64e	WC-Bangor Canal at SF 25 shotcrete				10,000	0	0	0%
2021-64f	WC-Bobcat Skid Steer with Power Broom Attachment				41,000	0	0	0%
2021-64g	WC-Rock Drills, Bits, and Hydraulic Splitter				20,000	0	0	0%
2021-64i	WC-MRC repair, panel 210, 50'				50,000	0	0	0%
2021-64m	WC-Waterways dredging				500,000	0	0	0%
2021-64o	WC-RTU Water Logger HS522+ GOES Xmitter Forbestown Ditch				7,500	0	0	0%
2021-65a	CM-Sly Creek Campground food lockers, fire rings and picnic tables				25,000	0	0	0%
2021-66a	JS-PDHQ 35KW Propane Generator				35,000	0	0	0%
2020-66d	JS-DC Load Bank Tester				28,000	0	0	0%
2021-66d	JS-Water tank truck				70,000	0	0	0%
2021-66e	JS-Dump truck				100,000	0	0	0%
2021-66g	JS-Boom Truck				150,000	0	0	0%
2021-66h	JS-All Terrain Telehandler Forklift				100,000	0	0	0%
2021-66i	JS-CMMS Software System				50,000	0	0	0%
2021-66j	JS-Truck Replacement for Roving Operator, replace 2005 Chevy				40,000	0	0	0%
2021-66l	JS-Welding Shop 3-Ph Propane Generator				35,000	0	0	0%
2021-66m	JS-Mini Excavator				65,000	0	0	0%
2021-67a	RC-Sly spillway rockfall mitigation				120,000	0	0	0%
2021-68c	CO-WPH PSV Valve Trip System				30,000	0	0	0%
	Total Capital Outlay	(1,809,738)	(3,573,487)	(2,157,078)	(3,089,500)	(578,098)	(453,680)	15%

South Feather Water and Power Agency
 Joint Facilities Operating Fund Financial Report
 November 23, 2021 Board Meeting

<u>ACCOUNT</u>	<u>DESCRIPTION</u>	<u>2018 ACTUAL</u>	<u>2019 ACTUAL</u>	<u>2020 ACTUAL</u>	<u>2021 BUDGET</u>	<u>2021 ESTIMATED</u>	<u>2021 ACTUAL Thru 10/31/2021</u>	<u>% of Budget</u>
Transfers In:								
	Power Division Legacy Fund	0	1,096,094	0	0	0	0	0%
	Retiree Benefit Trust	0	0	1,617,546	0	0	0	0%
Transfers Out:								
	General Fund-Minimum Payment	(709,000)	(709,000)	(709,000)	(709,000)	(709,000)	(354,500)	50%
	General Fund-Overhead	(557,565)	(621,688)	(480,058)	(675,000)	(500,000)	0	0%
	Retiree Benefit Trust	(214,513)	(201,179)	0	0	0	0	0%
Net Non-operating, Capital Outlay and Transfers								
		(4,458,271)	(7,422,485)	(4,222,596)	(11,294,985)	(8,608,583)	(2,063,950)	
	NET REVENUE OVER EXPENSES	6,174,487	6,196,467	37,613	1,074,033	6,306,864	8,012,381	
	Beginning Balance	18,266,571	18,653,584	24,541,141	21,473,810	24,578,754	24,578,754	
	NYWD-Additional Payment	(1,393,737)	0	0	(978,678)	(5,374,000)	0	
	General Fund-Additional Payment	(1,393,737)	0	0	(978,678)	(5,374,000)	0	
	Loan Payable to PG&E	(3,000,000)	(308,910)	0	0	0	0	
	Ending Balance	18,653,584	24,541,141	24,578,754	20,590,487	20,137,618	32,591,135	

NOTES: Per NYWD agreement, 15% working capital reserve of \$1,125,850, and \$18,000,000 contingency reserve is required.
 Ending 12/31/20 balance includes designated reserves of \$1,617,546 for retiree benefits.

South Feather Water and Power Agency
 General Fund Financial Report
 November 23, 2021 Board Meeting

<u>ACCOUNT</u>	<u>DESCRIPTION</u>	<u>2018</u> <u>ACTUAL</u>	<u>2019</u> <u>ACTUAL</u>	<u>2020</u> <u>ACTUAL</u>	<u>2021</u> <u>BUDGET</u>	<u>2021</u> <u>ESTIMATED</u>	<u>2021</u> <u>ACTUAL</u> <u>Thru 10/31/21</u>	<u>% of</u> <u>BUDGET</u>
REVENUE:								
Water Sales Rev								
41100	Domestic Water	2,151,409	2,138,729	2,674,305	2,500,000	2,500,000	2,121,711	85%
41400	Irrigation Water	222,699	218,507	263,727	300,000	300,000	254,483	85%
41420	Water Sales, NYWD to Yuba City	181,314	190,388	195,300	200,000	200,000	0	0%
	Sub-Total Water Sales Rev	2,555,422	2,547,624	3,133,332	3,000,000	3,000,000	2,376,194	79%
Power Revenue								
41305	Sly Cr Pwr Generation	1,544,956	2,128,918	1,297,452	1,625,000	1,766,000	1,619,993	100%
41306	Surplus Wtr	90,786	87,360	25,164	55,000	50,000	0	0%
	Sub-Total Power Rev	1,635,742	2,216,278	1,322,616	1,680,000	1,816,000	1,619,993	96%
Water Serv Chgs								
42301	Sundry Billing (Job Orders)	54,785	173,718	57,108	55,000	200,000	131,842	240%
42341	System Capacity Charges	NA	NA	69,801	50,000	45,000	43,630	87%
	Other Water Serv Charges	64,271	132,685	29,249	50,000	50,000	46,978	94%
	Sub-Total Water Serv Chgs	119,056	306,403	156,158	155,000	295,000	222,450	144%
Non-Oper Revenue								
49250	Interest Earnings	110,229	85,264	108,903	10,000	1,000	63,741	637%
49311	Property Taxes	585,383	663,748	681,269	685,000	690,000	354,110	52%
49405	ACWA/JPIA RPA	41,973	82,631	103,294	50,000	40,381	40,381	81%
49625	Back Flow Installation	16,920	14,021	9,400	15,000	5,000	5,385	36%
49630	Back Flow Inspection	119,570	123,738	127,236	125,000	135,000	108,279	87%
	Other Non-Oper Rev	(4,820)	4,413	31,455	1,000	2,500	2,323	232%
	Sub-Total Non-Oper Rev	869,255	973,815	1,061,557	886,000	873,881	574,219	65%
	TOTAL GENERAL FUND REVENUE	5,179,475	6,044,120	5,673,663	5,721,000	5,984,881	4,792,856	84%

South Feather Water and Power Agency
 General Fund Financial Report
 November 23, 2021 Board Meeting

<u>ACCOUNT</u>	<u>DESCRIPTION</u>	2018	2019	2020	2021	2021	2021	% of
		<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ESTIMATED</u>	<u>Thru 10/31/21</u>	<u>BUDGET</u>
OPERATING EXPENSES:								
General Admin, 1-50		1,381,008	1,182,674	977,703	1,011,199	919,524	629,969	62%
Water Source, 1-51		15,891	17,468	16,117	17,500	17,500	14,888	85%
Environmental Health & Safety, 1-52		258,473	213,741	239,863	240,339	253,371	209,188	87%
Water Treatment, 1-53		1,330,741	1,662,849	1,923,429	1,823,400	2,196,799	1,463,822	80%
Transmission & Distribution, 1-54		1,973,758	2,277,469	2,528,134	2,669,875	2,705,781	1,690,413	63%
Customer Accounts, 1-55		693,341	869,709	990,535	907,048	1,268,396	728,573	80%
General Plant & Shop, 1-56		702,545	682,711	698,537	701,725	714,100	464,884	66%
Sundry, 1-57		42,724	67,263	49,859	55,000	175,000	76,655	139%
Information Systems, 1-58		366,897	420,975	499,957	474,127	529,405	331,758	70%
Sly Creek Power Plant, 1-61		324,215	498,384	438,309	413,550	379,609	329,811	80%
TOTAL OPERATING EXPENSES		7,089,593	7,893,243	8,362,443	8,313,762	9,159,485	5,939,961	71%
SUB-TOTAL, REVENUES OVER OPER EXP		(1,910,118)	(1,849,123)	(2,688,780)	(2,592,762)	(3,174,604)	(1,147,105)	44%
Other Non-Operating Expenses								
	Supplies & Services	1,000	1,100	3,600	2,500	2,500	2,500	100%
	Interest	847,823	844,634	826,793	812,839	812,839	413,337	51%
	Principal	570,000	580,000	600,000	615,000	615,000	615,000	100%
	Pension Expense	294,211	349,513	0	0	0	0	0%
CAPITAL OUTLAY:								
2013-0135	MRTP Improvement program			55,322				
2019-0191	TD-Rockridge and Coventry Dr pipeline replacement			79,765	0	1,000	821	100%
2019-0192	TD-Distribution System Remote Monitoring			14,477	10,000	10,000	9,551	96%
2019-0193	GS-Generator, Admin Offices			34,227				
2020-0196	Bangor shotcrete Patty Dutters and Warren property, 1000'			11,282				
2020-0197	IT-Email exchange server			3,887				
2020-0198	Community Line, Foothill Blvd./Oro Bangor Hwy to Grange			21,196	75,000	70,000	68,058	91%
2020-0199	GP-MRTP solar inverter replacement			40,681				
2020-0200	Oro-Bangor Hwy/BTP to Avacado			38,968	7,000	100,000	48,097	687%
2020-0970	SPH-CAISO meter installation			7,786	15,000	15,000	4,537	30%
2021-0204	MRTP #2 raw water pump replacement				125,000	65,000	64,907	52%
2021-0205	Hwy 162 / Arbol				137,000	137,000	117,476	86%
2021-0206	IT-MRTP SAN replacement				26,000	26,000	23,185	89%
2021-0207	CA-Meter reader communications				15,000	15,000	1,750	12%
2021-0208	Replace 1998 Bobcat mini excavator, E-123				65,000	70,000	0	0%
2021-0971	SPH-SCADA upgrade				50,000	50,000	29,072	58%

South Feather Water and Power Agency
 General Fund Financial Report
 November 23, 2021 Board Meeting

<u>ACCOUNT</u>	<u>DESCRIPTION</u>	<u>2018 ACTUAL</u>	<u>2019 ACTUAL</u>	<u>2020 ACTUAL</u>	<u>2021 BUDGET</u>	<u>2021 ESTIMATED</u>	<u>2021 ACTUAL Thru 10/31/21</u>	<u>% of BUDGET</u>
CAPITAL OUTLAY (con't):								
2021-54h	Irwin Experanza Williams, 2000'				100,000	0	0	0%
2021-54j	Community Line, Wyandotte domestic pipeline				40,000	40,000	0	0%
2021-54m	Palermo shotcrete Pinecrest, 1000'				60,000	0	0	0%
2021-54n	Miller Hill Gauging Station				12,000	12,000	0	0%
2021-56a	Replace 2009 Ford F-350, T-82				60,000	60,000	0	0%
2021-56d	Replace 2010 Ranger 4x4, ditchtender, T-386				35,000	0	0	0%
2021-56g	Replace 2011 Ranger 4x4, ditchtender, T-302				35,000	0	0	0%
2020-58c	IT-Fiber optic and switches replacement				21,000	21,000	0	0%
2020-61c	SPH-PSV roof replacement and rockfall protection				75,000	0	0	0%
2020-61e	SPH-Oil flow device upgrade				20,000	0	0	0%
2020-61g	SPH-bitronics lins side metering xducer				8,000	8,000	0	0%
2021-61l	SPH Exciter upgrade				200,000	0	0	0%
2021-61m	SPH station air compressor				10,000	10,000	0	0%
	Total Capital Outlay	102,680	239,171	307,591	1,201,000	710,000	366,633	31%
Transfers:								
	SFPP Jt Facil Oper Fd-Minimum Payment	709,000	709,000	709,000	709,000	709,000	354,500	50%
	SFPP Jt Facil Oper Fd-Additional Payment	1,393,737	0	0	978,678	0	0	0%
	SFPP Jt Facil Oper Fd-Overhead	557,565	621,688	480,058	675,000	500,000	0	0%
	Debt Service Fund, 2016 COP	2,186,233	0	0	0	0	0	0%
	System Capacity Fund, MRTP Impr Proj	(1,248,243)	0	0	0	0	0	0%
	System Capacity Fund	0	0	194,946	0	0	0	0%
	Retiree Benefit Trust Fund	(266,911)	(320,821)	0	0	0	0	0%
	Retiree Benefit Trust Fund	0	0	1,977,001	0	0	0	0%
	Net Non-operating, Capital Outlay and Transfers	1,515,667	(1,004,551)	1,623,021	(268,661)	(931,339)	(1,042,970)	388%
	NET REVENUE OVER EXPENSES	(394,451)	(2,853,674)	(1,065,759)	(2,861,423)	(4,105,943)	(2,190,075)	
	Beginning Balance	7,290,825	6,896,374	4,042,700	2,022,090	2,976,941	2,976,941	
	Ending Balance	6,896,374	4,042,700	2,976,941	(839,333)	(1,129,001)	786,866	

NOTE: Ending 12/31/20 balance includes designated reserves of \$1,977,001 for retiree benefits.

South Feather Water & Power Agency
 Irrigation Water Accounting
 For The Period Of 1/1/2021 - 10/31/2021

<u>ACCT CODE</u>	<u>DESCRIPTION</u>	<u>REVENUE</u>	<u>EXPENSES</u>
2021-0504	Palermo Canal	\$ 99,631	\$ 228,519
2021-0505	Bangor Canal	\$ 109,671	\$ 209,103
2021-0506	Forbestown Canal	\$ 18,634	\$ 207,631
2021-0507	Community Line	\$ 26,547	\$ 40,446
	Totals	<hr/> \$ 254,483	<hr/> \$ 685,699

SOUTH FEATHER WATER AND POWER AGENCY
SCHEDULE OF CASH AND INVESTMENTS
31-Oct-21

General Fund Cash and Savings Account	\$ 6,462,377
LAIF	19,709,685
CalTrust	1,420,832
Five Star Bank	1,109,112

<u>Fixed Income portfolio</u>	<u>Rate</u>	<u>Purch Date</u>	<u>Purch Price</u>	<u>Face Value</u>	<u>Maturity</u>	<u>Mkt Value</u>	<u>Est Ann Income</u>
Cash						85,783	\$ -
Merrick Bank CD	3.200%	11/28/2018	245,008	245,000	11/29/2021	245,659	7,840
BMW Bank North America CD	3.050%	12/28/2018	245,000	245,000	12/28/2021	246,786	7,473
Federal Farm Credit Bonds	2.600%	1/28/2019	250,000	249,999	1/18/2022	251,300	6,500
Goldman Sachs CD	2.850%	2/14/2019	185,000	185,000	2/14/2022	186,534	5,273
Centerstate Bank CD	1.000%	3/20/2020	245,008	245,000	3/21/2022	245,884	2,450
US Treasury Note	2.250%	5/8/2019	245,326	245,000	4/15/2022	247,384	5,513
Eclipse Bank CD	0.350%	5/29/2020	240,000	240,000	5/30/2022	240,055	840
Flagstar Bank CD	2.450%	6/12/2019	246,000	246,000	6/13/2022	249,611	6,027
Sallie Mae Bank CD	2.150%	7/24/2019	245,000	245,000	7/25/2022	248,736	5,268
Bank Hapoalim Bm Ny CD	0.250%	8/26/2020	245,000	245,000	8/26/2022	245,250	613
Wells Fargo Bank CD	1.850%	9/18/2019	245,000	245,000	9/19/2022	248,717	4,533
Goldman Sachs CD	1.850%	12/12/2019	60,000	60,000	12/12/2022	61,096	1,110
Morgan Stanley Private Bank CD	1.850%	12/19/2019	50,000	50,000	12/19/2022	51,030	925
First Heritage Bank CD	0.250%	6/23/2020	140,000	140,000	12/19/2022	140,041	350
Marlin Business Bank CD	1.650%	1/15/2020	203,000	203,000	1/17/2023	206,463	3,350
Wells Fargo Natl Bank West CD	1.900%	1/17/2020	245,000	245,000	1/17/2023	249,924	4,655
People First Bank CK	1.350%	3/6/2020	134,000	134,000	3/6/2023	135,924	1,809
American Express Natl Bank CD	1.450%	1/31/2020	245,000	245,000	3/31/2023	248,971	3,553
Luana Savings Bank CD	0.200%	8/14/2020	245,000	245,000	8/14/2023	244,032	490
Synchrony Bank CD	0.400%	9/30/2021	245,000	245,000	9/29/2023	244,490	980
Medallion Bank CD	0.250%	10/26/2020	135,000	135,000	10/27/2023	134,379	338
New York Community Bank CD	0.300%	11/9/2020	245,000	245,000	11/9/2023	244,057	735
Federal Home Loan Bond	0.190%	12/29/2020	249,777	250,000	12/22/2023	248,720	475

SOUTH FEATHER WATER AND POWER AGENCY
SCHEDULE OF CASH AND INVESTMENTS
31-Oct-21

General Fund Cash and Savings Account	\$ 6,462,377
LAIF	19,709,685
CalTrust	1,420,832
Five Star Bank	1,109,112

<u>Fixed Income portfolio</u>	<u>Rate</u>	<u>Purch Date</u>	<u>Purch Price</u>	<u>Face Value</u>	<u>Maturity</u>	<u>Mkt Value</u>	<u>Est Ann Income</u>
Bankunited Bank CD	0.350%	3/15/2021	245,000	245,008	3/19/2024	243,623	858
Web Bank CD	0.400%	5/11/2021	245,000	245,000	5/17/2024	243,579	980
UBS Bank CD	0.350%	6/23/2021	245,000	245,000	6/24/2024	243,018	858
Texas Exchange Bank	0.500%	7/9/2021	105,000	105,000	7/9/2024	104,529	525
Toyota Finl Svgs Bank CD	0.550%	8/5/2021	245,000	245,000	8/5/2024	244,071	1,348
Institution for Svg in Newburyport CD	0.700%	10/28/2021	245,000	245,000	10/28/2024	244,640	1,715
State Bank of India CD	1.000%	6/10/2021	245,000	245,000	6/10/2026	245,892	2,450
Total Fixed Income Portfolio						6,520,178	\$ 68,078
TOTAL CASH & INVESTMENTS AT 10/31/21						\$ 35,222,184	1.04%

I certify that all investment actions have been made in full compliance with Policy #470- Investments, and that South Feather Water and Power Agency will meet its expenditure obligations for the next six months.

Submitted by: Steve Wong, Finance Division Manager 11/15/21

Investment Transactions October, 2021
\$245,000 Third Fed Savings CD matured on 10/22/21 and redeemed. Proceeds were invested in a \$245,000 CD with Institution for Saving in Newburyport on 10/28/21, maturing 10/28/2024.



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors
FROM: Dan Leon, Power Division Manager
DATE: November 17, 2021
RE: General Information (regarding matters not scheduled on agenda)
November 23, 2021 Board of Directors Meeting

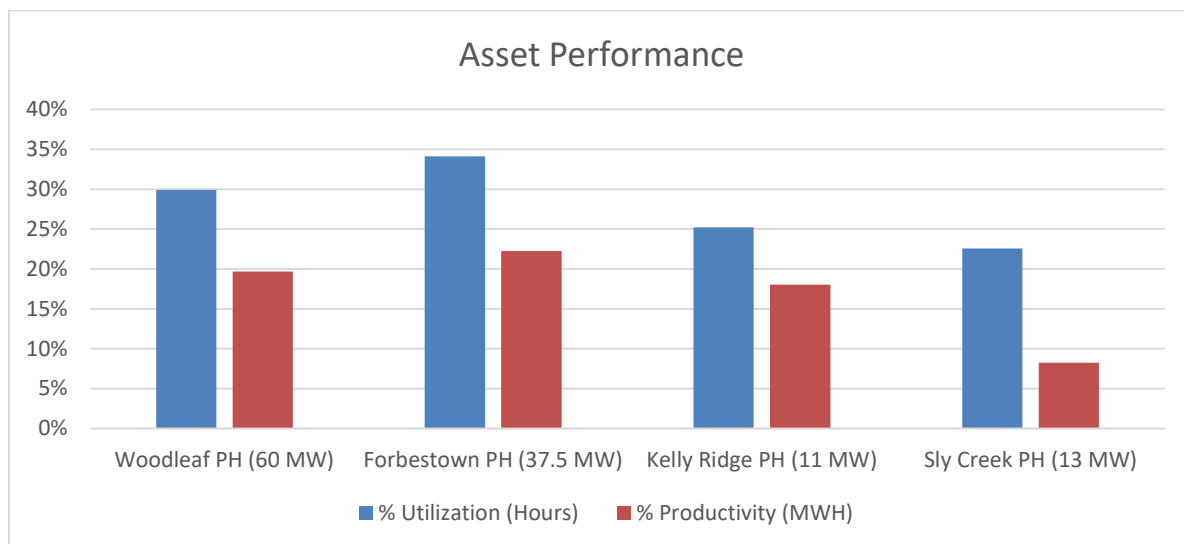
OPERATIONS

Power Division Summary Report, Reservoir Storage Report, and Precipitation Report for October 2021 are attached.

South Fork tunnel average flow was 174 CFS. Slate Creek tunnel was opened for 5 days. At month's end, Little Grass Valley and Sly Creek Reservoirs combined storage was 70 kAF. Ponderosa reservoir spillway released water as part of a water transfer. South Fork Div., Slate Creek Div., and Forbestown Div. reservoirs spilled during the storm event that began on October 24.

Observed conditions for water year-to-date precipitation and snowpack will be reported beginning in February 2022.

Asset performance and availability for October 2021 summarized in the following tables:



Powerhouse	Capacity MW	Available for Generation Hrs	Generation Dispatched at Full Output Hrs	Additional Gen. <u>not</u> Dispatched at Full Output Hrs	Generation Dispatched at Part. Output Hrs
Woodleaf	60.0	709	42	667	170
Forbestown	37.5	744	98	646	156
Kelly Ridge	11.0	742	30	712	157
Sly Creek	13.0	726	0	726	164

CAISO Index Pricing	Monthly On-Peak Average Price per MWh	Monthly Hourly Average Price per MWh
Monthly Prices	\$74.31	\$68.93
Average since 2010	\$41.09	\$37.30

MAINTENANCE

Powerhouses

- Woodleaf Powerhouse: In service. Forced outage occurred due to clogged water strainers resulting from storm event.
- Forbestown Powerhouse: In service.
- Kelly Ridge Powerhouse: In service. Annual maintenance outage scheduled for November 1 to 12.
- Sly Creek Powerhouse: In service. Annual maintenance outage completed.

Other Project Assets

- Prepare sites for DSOD annual inspections
- Perform annual maintenance and extensive brush clearing along Miners Ranch canal
- Repair log boom attachments at Forbestown Div. reservoir
- Perform PM's on Stn. 2 tunnel gate, Ponderosa spill gates, and Slate Creek Div. dam tunnel gates
- Check and clean trash racks at Slate Creek Div. dam and South Fork Div. dam
- Check project roadways and access
- Recoat exterior of South Fork Div. building
- Recoat buildings at Miners Ranch reservoir
- Reprogram RTUs for new CAISO gateway
- Perform wiring and installation in CAISO meter cabinets
- Repair MRC Stn. 3 comm antenna
- Perform fleet vehicle and heavy equipment maintenance

PROJECTS

Energy Delivery Transition Projects. The Agency's Energy Transition effort includes the following projects that are in various states of progress.

Comm Network Project. Project is complete, and new comm network is fully operational.

CAISO Meter Installation Project. Field installation and final commissioning of new CAISO revenue meters by vendor is currently in process and scheduled to be completed on November 22, 2021. Agency O&M crew have been actively working with vendor to facilitate completion.

CAISO RIG Installation Project. Field installation and final commissioning of new CAISO remote intelligent gateway by vendor is currently in process and scheduled to be completed on November 22, 2021. Agency O&M crew have been actively working with vendor to facilitate completion.

Scada Replacement Project. Field installation and commissioning by vendor is substantially complete. Agency staff and vendor are completing final punch list items.

PERSONNEL

Hydro Civil Engineer Recruitment. Agency continues to recruit for a Hydro Civil Engineer. Agency is considering retaining a recruiting firm to assist with locating a qualified candidate. The position includes the following: Perform civil engineering and project management for Agency water and power facilities, including storage reservoirs, dams, hydroelectric plants, conveyance and distribution systems, and buildings. Manage Agency's dam safety program as defined in regulatory guidelines. Develop engineering procedures, methods and standards, and perform project management for maintenance and upgrade of Agency facilities and assets.

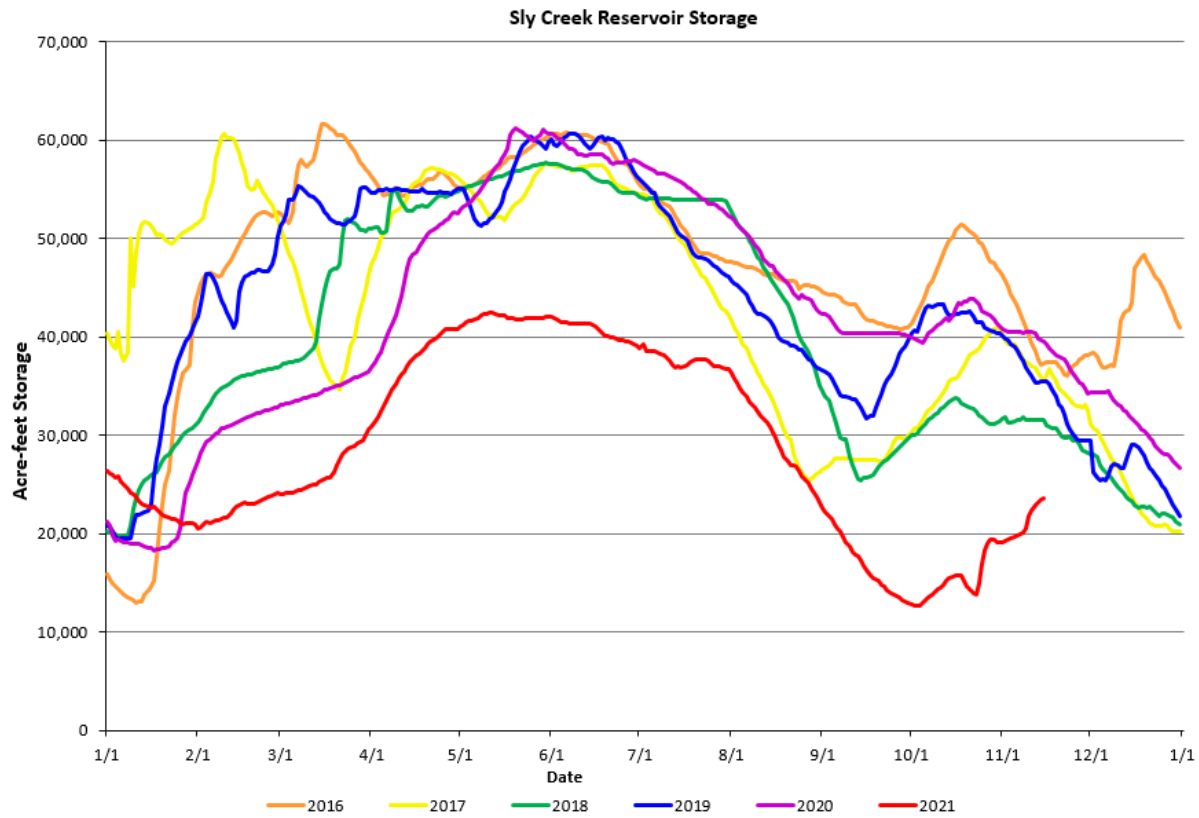
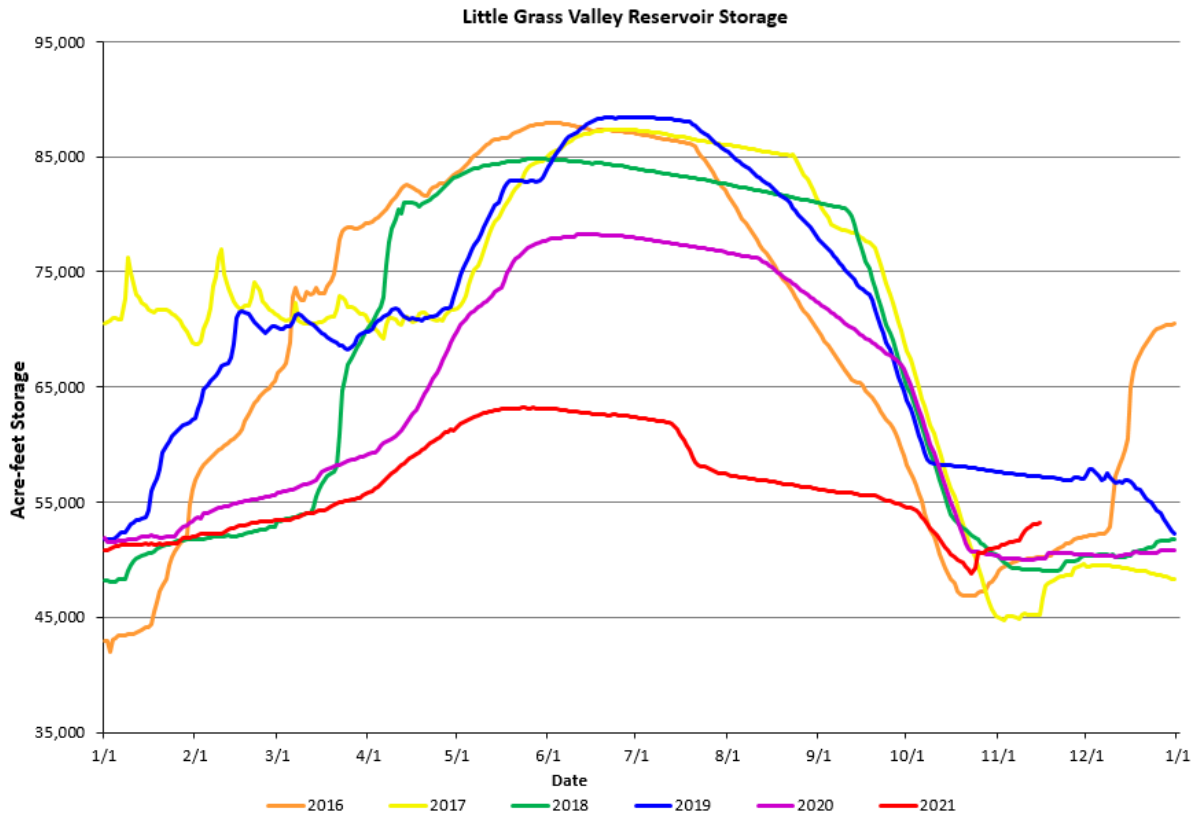
**SOUTH FEATHER WATER AND POWER
SOUTH FEATHER POWER PROJECT
2021
Reservoir and Stream Operations**

	RESERVOIR ELEVATIONS				MONTHLY AVERAGE STREAM RELEASES							
	Little Grass Valley		Sly Creek		Release to SFFR at LGV Dam		Release to SFFR at Forbestown Div.		Release at Lost Creek Dam	Release at Slate Creek Div.		
Maximum Elevation End of Month Conditions	5,046.50	Feet	3,530.00	Feet								
January	5,020.04	Feet	3,440.41	Feet	8.40	cfs	6.37	cfs	6.08	cfs	37.50	cfs
February	5,021.21	Feet	3,449.99	Feet	8.96	cfs	6.65	cfs	8.25	cfs	87.70	cfs
March	5,023.07	Feet	3,466.74	Feet	6.96	cfs	38.70	cfs	6.13	cfs	75.20	cfs
April	5,027.62	Feet	3,489.94	Feet	14.20	cfs	7.36	cfs	9.40	cfs	28.60	cfs
May	5,028.94	Feet	3,492.29	Feet	16.00	cfs	12.80	cfs	9.30	cfs	16.90	cfs
June	5,028.38	Feet	3,486.21	Feet	13.80	cfs	13.10	cfs	8.91	cfs	11.60	cfs
July	5,024.50	Feet	3,480.64	Feet	80.10	cfs	13.00	cfs	9.37	cfs	5.91	cfs
August	5,023.49	Feet	3,447.16	Feet	14.00	cfs	13.00	cfs	9.49	cfs	4.58	cfs
September	5,022.26	Feet	3,413.00	Feet	20.70	cfs	13.00	cfs	9.42	cfs	4.94	cfs
October	5,019.27	Feet	3,434.76	Feet	140.00	cfs	37.80	cfs	9.43	cfs	87.20	cfs
November	0.00	Feet	0.00	Feet	0.00	cfs	0.00	cfs	0.00	cfs	0.00	cfs
December	0.00	Feet	0.00	Feet	0.00	cfs	0.00	cfs	0.00	cfs	0.00	cfs

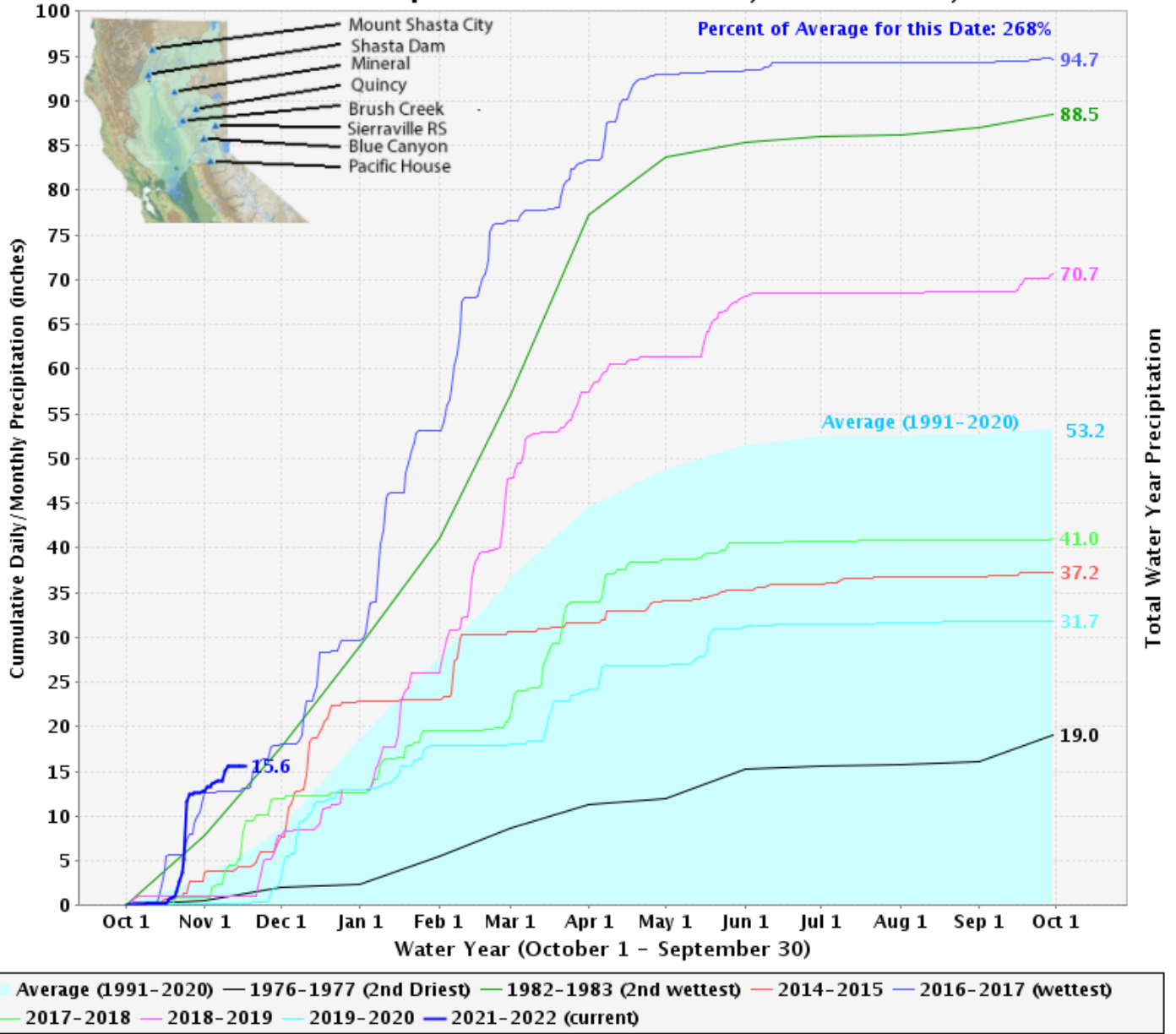
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Powerhouse Operations

	Sly Creek	Woodleaf	Forbestown	Kelly Ridge	Energy Revenue
January	1,201.20 MWH	11,378.82 MWH	6,298.40 MWH	5,604.49 MWH	\$1,232,234.63
February	262.83 MWH	3,259.77 MWH	2,774.31 MWH	3,173.08 MWH	\$1,070,508.10
March	72.95 MWH	1,314.95 MWH	744.94 MWH	1,825.84 MWH	\$507,800.92
April	109.13 MWH	574.09 MWH	669.42 MWH	965.26 MWH	\$450,053.12
May	220.36 MWH	780.30 MWH	467.06 MWH	235.80 MWH	\$418,666.33
June	617.89 MWH	3,486.17 MWH	1,861.84 MWH	1,517.58 MWH	\$799,131.76
July	1,084.58 MWH	6,947.94 MWH	3,678.35 MWH	2,903.12 MWH	\$1,499,242.27
August	2,266.71 MWH	16,935.15 MWH	9,266.93 MWH	6,846.13 MWH	\$2,631,102.04
September	1,382.71 MWH	13,089.50 MWH	7,050.76 MWH	5,784.91 MWH	\$2,283,820.75
October	777.34 MWH	8,377.32 MWH	6,209.47 MWH	1,473.70 MWH	\$1,604,070.98
November	0.00 MWH	0.00 MWH	0.00 MWH	0.00 MWH	\$0.00
December	0.00 MWH	0.00 MWH	0.00 MWH	0.00 MWH	\$0.00
	<u>7,995.69 MWH</u>	<u>66,144.01 MWH</u>	<u>39,021.47 MWH</u>	<u>30,329.92 MWH</u>	<u>\$12,496,630.89</u>



Northern Sierra Precipitation: 8-Station Index, November 17, 2021





SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Kristen McKillop, Compliance and Regulatory Manager

DATE: November 17, 2021

RE: General Information (regarding matters not scheduled on agenda)
November 23, 2021 Board of Directors Meeting

WATER RIGHTS - BENEFICIAL USES AND COMPLIANCE

POWER

Dam Safety. Chapter 14 of the FERC Engineering Guidelines outlines the required components of a Dam Safety Performance Monitoring Program. Dam owners are required to work with a FERC approved Independent Consultant every five years to review defined elements of the dam safety program, project operations, and conduct inspections of all components of each project dam and appurtenant structures. This Agency has conducted eleven of these Part 12D inspections to date, and the Twelfth Inspection Report for Little Grass Valley, Sly Creek, Lost Creek, Ponderosa and Miners Ranch dams is due to FERC on December 1, 2022. Because of the extensive review of historical documents and field inspections required, the Agency will be publishing a Request for Proposals next month in order to secure a contractor to begin this work.

The Agency will be holding an annual Emergency Action Plan (EAP) binder holder meeting, which the FERC refers to as an Annual Seminar, and call down drill first week of December. These meetings provide the Agency with the opportunity to connect with local emergency response personnel, as well as others involved in the planning and preparation for a dam emergency that we hope never actually happens. Each of these exercise requirements will be summarized in the annual EAP status report.

DOMESTIC

Sacramento-San Joaquin Delta Watershed Curtailment Order. On October 19th, a temporary suspension of curtailments in the Sacramento-San Joaquin (Delta) Watershed was announced, but the monthly diversion and projected diversion reporting requirement remains in place for those with rights to divert over 5,000 acre-feet per year. For November, these reporting requirements changed, and instead of reporting on volumes attributed to each water right (seven reports) the Agency is now required to report on a new series of data requests for every Point of Diversion (25 total reports).

Palermo Clean Water Consolidation Project.

Progress continues on work to complete a funding application for state grant funds to begin work on this important project. To date, the Drinking Water State Revolving Fund application components

completed include the General Application packet along with an initial consultation with State Water and Resources Control Board staff, field surveys for CEQA review, and field surveys for Engineering Design. During a Town Hall meeting held on November 17th, the Palermo community was updated on progress, and asked to sign a letter of support for the project. Please feel free to review more project details at: https://www.buttecounty.net/waterresourceconservation/Palermo_Clean_Water

DWR Urban and Multibenefit Drought Relief Grant. In order to further develop the Agency's Water Loss Control Improvement program, the DWR grant application was submitted on November 19th. Each of the grant application project components (Hydrants Theft Security, System Leak Detection & Repairs, Meter Accuracy Improvement, GIS base mapping) were fully developed and we remain hopeful that we will be on the funding award list.

IRRIGATION

No new updates.

RECREATION

No new updates.



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Rath Moseley, General Manager

DATE: November 18, 2021

RE: General Information (regarding matters not scheduled on the agenda)
11/23/21 Board of Directors Meeting

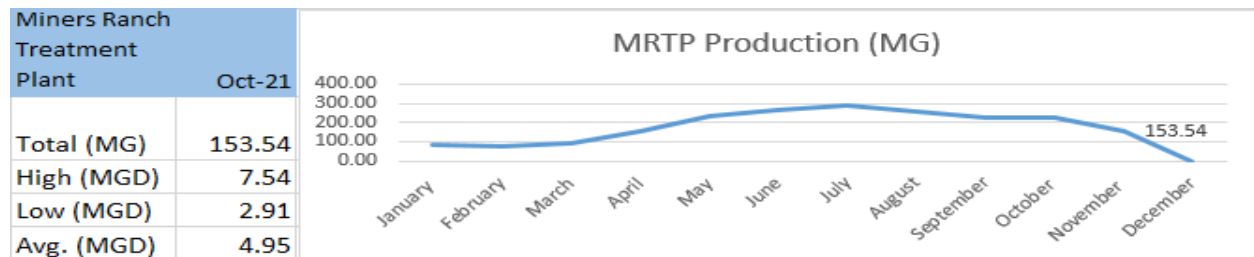
Domestic Water Treatment Operations

The total Miners Ranch Treatment Plant (MRTP) treated water production for the month of October totaled 153.54 million gallons.

The total Bangor Treatment Plant (BTP) treated water production for the month of October totaled .525 million gallons.

Red hawk Ranch Raw Pump Station Total Production >.560 million gallons. The meter data indicates how important agriculture water is to rural areas within the district.

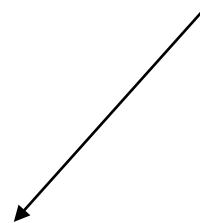
All bacteriological requirements were good for the MRTP, BTP. Miners Ranch production was 87% of average over the past 5 years. Bangor's production was 80% of average over the past 5 years.



Maintenance work was performed on the homogenization tank float by adding legs to improve stability and reduce rotation when at the bottom of the tank.



What is a homogenization tank?



A homogenization tank is mainly intended to stabilize flow and the waste load.

District Wide Water Operations

Several hundred feet of raw water pipeline replacement was completed near South Villa this month. Over time ~2,000 feet of aging infrastructure will need to be replaced.

The storm event in October, while extremely beneficial from a water storage perspective also resulted in extensive debris and tree removal efforts within the districts conveyance operations. The crew is continuing to remove fallen trees through the end of the year.

November	Remove Trees	Install Service	Leak Repair	Replace Backflow	Install Pipe	Debris Clean Up	Ditch Maintenance
	Oro Lateral	Justelle Dr.	Shadey Green Ln.	Olive Hwy.	South Villa	District Wide	District Wide
	Palermo Canal		Oro Quincy				
	Miller Hill		Vanduzer Ln.				
	Lower Forbestown						

Water Division Mechanic Vacancy

An offer was extended and accepted to fill the mechanic vacancy in water division and anticipate a start date in the next few weeks.

Butte County Inter-Departmental Review Committee

Two proposed parcel divides were reviewed for utility feasibility and recommended conditions. The first is a four parcel split on Kelly Ridge Road which will be served by four individual meters and backflows. The second is a 12 parcel split but requires easements, hydrants, regulator vault, and a mainline upsize to serve the location. Recommended conditions have been submitted.

Sierra Heights Phase II

The second phase of Sierra Heights Senior Living Apartments is nearing readiness for SF to install water infrastructure. This will consist of a mainline tap, service pipeline, 2-inch meter set, 4-inch fire service and backflow prevention devices. Including system capacity fees, the total cost for installation will be ~\$47K. The project site is on Hillview Ridge Lane adjacent to Oroville Hospital and will be served via an 8" domestic line from Foothill Blvd.

North Yuba Water District vs. SFWPA

NYWD has submitted under Case No. CVCS21-0001857 Sutter County a "Demand for Inspection (set one) for a total of 78 data set demands of records from January 1, 2010 - present.

An Amended Compliant was also file under the same case number with 6 complaints in total against SFWPA. Both documents can be viewed on SF's website or Sutter County public records.

California Special Districts *Volume 16, Issue 5, September – October 2021*

CSDA Communications Specialist published an excellent article titled "Cooperation Among Water Agencies Brings Wave of Success: How Can Your Agency Ride The Wave? – I would encourage anyone associated with water agencies to read the article as it provides an overview of water in California and breaks downs in three steps what collectively water agencies should be doing.

- a. Face the reality of the situation
- b. Bring agencies together
- c. Be Patient – Look for your "champion"

South Feather has adopted and been following this model for some time and it is nice to see that cooperation is being accepted between agencies across the state.

Water Storage Strategy

Multiple meetings and research has been conducted since the October board meeting on how to approach the process of adding water storage and conveyance within SF's existing sphere of influence.

The agency interfaced directly with the following to learn about water storage and the steps to achieve success.

- Executive Director for Sites Reservoir
- Advisian – Engineering Consultant Water Resources – Formal Proposal being drafted
- President - Northern California Water Association

In addition, documentation has been studied via a number of publications.

- California Water Commission – Conveyance to meet climate change needs
- NCWA – Water Briefings State Legislation
- State of California Department of Insurance- Mitigation and Wildfire Risk Plans

What have we learned!

1. Early engagement with stakeholders - public outreach is critical to demonstrate the what's, and why's of proposed storage
2. A two part approach should be embraced
 - a. Fact Finding Stage
 - b. Fail/Flow Analysis
3. Type of Storage.
 - a. In Stream
 - b. Off Stream
 - c. Regulating Reservoir near conveyance or Stock Ponds
4. Targeted Needs.
 - a. Wildlife Refuge
 - b. Agriculture
 - c. Ground Water Recharge and Banking
5. Scope Analysis
 - a. Financial Pro-Forma – Source of Funding
 - b. Land Acquisition
 - c. Construction – Dams, Conveyance, etc.
 - d. Environmental Impact Review
 - e. CEQA

Once a proposed task order is submitted to the agency from Advisian, it will be placed in front of the board for consideration.



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Steve Wong, Finance Division Manager
Rath Moseley, General Manager

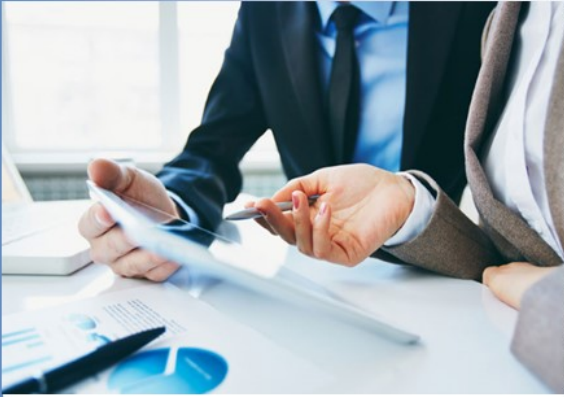
DATE: November 16, 2021

RE: Selection of Independent Auditors for the Years Ending December 31, 2021 through 2023.
Agenda Item for 11/23/21 Board of Directors Meeting

At its October 26, 2021 meeting the Board was provided with the Agency's Request for Proposal to Perform Independent Auditing Services. The Request was posted on the Agency's website and emailed to 18 accounting firms. Two responses were received. A report, summarizing the evaluation criteria and the points scored within that criteria, is attached for your reference. Fedak & Brown LLP, Certified Public Accountants, is recommended for the Board's consideration. The proposal from Fedak & Brown LLP, Certified Public Accountants, is also attached for your review and reference.

The recommended action is:

"I move acceptance of the audit proposal from Fedak & Brown LLP, Certified Public Accountants, and authorization for them to perform the Agency's annual independent audit for the years ending December 31, 2021 through 2023, in accordance with their proposal."



**Certified
Public
Accountants**



**Consultants
& Advisors**



SOUTH FEATHER WATER AND POWER AUTHORITY

**Proposal to Provide
Accounting Services**

**For the Years
2021—2023**

**Christopher J Brown CPA CGMA
Charles Z. Fedak CPA, MBA
Andy Beck, CPA**

6081 Orange Avenue
Cypress, California 90630

1945 Chicago Avenue, Suite C-1
Riverside, California 92507

Phone: (657) 214-2307

Email: chris@fedakbrownllp.com
chuck@fedakbrownllp.com

California BOA License Number: 7723



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3. Firm Qualifications and Experience
4. Partner, Supervisory, and Staff Qualifications and Experience
5. References
6. Firm Provided Affirmations
7. Our Specific Approach to your Audit
8. Cost Proposal



Charles Z. Fedak, CPA, MBA
Christopher J. Brown, CPA, CGMA
Andy Beck, CPA

Fedak & Brown LLP

Certified Public Accountants

Cypress Office:
6081 Orange Avenue
Cypress, California 90630
(657) 214-2307
FAX (714) 527-9154

Riverside Office:
1945 Chicago Avenue, Suite C-1
Riverside, California 92507
(951) 783-9149

Mr. Rath Moseley, General Manager
South Feather Water and Power Agency
2310 Oro-Quincy Highway
Orville, California 95966

Re: Request for Proposal for Independent Audit Services

Dear Mr. Moseley:

We appreciate the opportunity to submit our proposal to provide annual audit services for the South Feather Water and Power Agency (Agency) for the years ending December 31, 2021 through December 31, 2023.

In response to your inquiry of Fedak & Brown LLP (Firm), we have prepared a proposal that reflects our understanding of the Agency's audit service requirements and that demonstrates our capability and commitment to serve. Our goal is to build a strong partnership with the Agency and demonstrate the highest level of client service.

We understand that you expect a timely audit conducted in a professional manner in accordance with audit standards specific to governmental entities such as yours. We are committed to meet all the requirements you have indicated, and we will issue the reports and meet the timing requirements you have requested. We believe we are uniquely qualified to provide the quality and scope of service that the Agency desires.

Focused on the Special District Industry

Our client service team members are specialists in the governmental special district sector. This means they each focus a substantial portion of their time serving special district governmental clients. We know and understand your organization and the climate within which you work.

Our Firm audits over 50 governmental special districts in the State of California; as a result, this enables our Firm to continuously be immersed in the governmental, financial, and operational issues related to special districts.

Organized to Serve

Our service approach ensures that the Agency will receive the highest quality, personalized service when and where you need it. By tailoring our approach, we guarantee that the Agency will receive timely and attentive service that forms the hallmark of our approach to serving clients. **Our governmental audit and consulting practice accounts for a substantial portion of our Firm's annual services.** Therefore, we have made a substantial commitment and investment to serve our governmental clients.

Mr. Rath Moseley, General Manager
South Feather Water and Power Agency
November 8, 2021
Page 2

Organized to Serve, continued

While our governmental experience is substantial, it is not the only factor that sets us apart from other firms; moreover, it is the commitment to utilize our resources and experience for the benefit of our clients. **Simply put, the Agency will become one of our most important clients and, accordingly, will receive the priority service the Agency requires.**

Our approach to the engagement will be to establish a delivery system for providing a truly exceptional level of service. Each element of that system including staffing, audit approach, communication, and coordination will be examined and refined to fit the needs of the Agency. The hardest to quantify may be the relationship aspect of working with one professional service firm versus another. Because of the service delivery approach and our history of working with many special district governmental units, we are confident that our Firm knows how to address the unique needs of the Agency.

Our staff members are experienced governmental professionals that have managed and performed numerous audit and attest engagements. Each of our staff has extensive experience that allows for a new outlook with innovative suggestions to improve quality and efficiency. We believe that our references will show that we are the best selection for the Agency. The choice of an audit firm should be based upon several factors including, but not limited to, staff retention, training programs, proactively addressing governmental industry changes, and adherence to a strict quality control program.

We have assisted many of our clients in the completion of their Comprehensive Annual Financial Report (CAFR) which are submitted to the Government Finance Officers Association (GFOA) and California Society of Municipal Finance Officers (CSMFO) for the Annual Awards programs.

We are confident that we will provide consistent staffing over the contract period as the continuity of staff is as important to us as it is to the Agency. We will be committed to the Agency and believe that our audit engagement team is the best selection.

Our proposal represents our irrevocable offer for a period of 180 days from the date of this letter to provide audit services to the Agency for the years ending December 31, 2021 through December 31, 2023. You may contact Christopher J. Brown (Partner) if you have any questions or need additional information. Christopher will be your primary contact during the proposal evaluation period. He may be reached at (951) 783-9149 or (657) 214-2307, or by e-mail at chris@fedakbrownllp.com.

We look forward to hearing from you soon.

Cordially,

Fedak & Brown LLP

FEDAK & BROWN LLP
CERTIFIED PUBLIC ACCOUNTANTS

Executive Summary

Audit Engagements

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to audits contained in the Government Auditing Standards issued by the Comptroller General of the United States. The audit engagements will be comprised of the following elements:

1. **Audit of the Basic Financial Statements of the South Feather Water and Power Agency (Agency);**
2. **Preparation of the Agency's Annual State Controller's Report (if Requested);**
3. **Preparation of Management Reports for the Agency;**
4. **Provide guidance and technical assistance to the Agency in implementing Governmental Accounting Standards issued, including Annual Accounting Update Session (as required)**

Previous Audits Engagements

The Government Auditing Standards establishes that auditors should evaluate whether the audited entity must take appropriate corrective action to address findings and recommendations from previous engagements that could have a material effect on the subject matter, or an assertion about the subject matter of the examination engagement.

Reporting Deficiencies in Internal Control, Fraud, Noncompliance with Provisions of Laws, Regulations, Contracts, and Grant Agreements, and Abuse

During the performance of an audit engagement in accordance with *Government Auditing Standards*, auditors should report, based upon the work performed, (1) significant deficiencies and material weaknesses in internal control; (2) instances of fraud and noncompliance with provisions of laws or regulations that have a material effect on the subject matter or an assertion about the subject matter and any other instances that warrant the attention of those charge with governance; (3) noncompliance with provisions of contracts or grant agreements that have a material effect on the subject matter or an assertion about the subject matter; and (4) abuse that has a material effect on the subject matter.

Commitment to the Highest Professional Standards

Our Firm is committed to the highest professional standards and our client service teams are fully versed in the current professional guidance. Our Firm's extensive experience translates into a service approach that includes providing clients the educational tools to properly implement new accounting pronouncements. We encourage our clients to reach out with questions they may have. ***Our client service teams were integral to the implementation of Governmental Accounting Standards Board (GASB) No. 75 and 68 for our clients throughout the State of California and are prepared to provide assistance as the implementation date for GASB No. 87 approaches.*** Our client service approach includes review and assistance with current and pending GASB pronouncements.

Firm Qualifications and Experience

Identification of Proposer and Geographic Location to the Agency

Fedak & Brown LLP, Certified Public Accountants, is celebrating over 35 years of client service. Our Firm is a full-service firm licensed to practice in the State of California providing accounting, audit, and consulting services for governmental and commercial enterprises, as well as extensive tax planning for domestic and international entities throughout the State of California. Our Governmental Services personnel are trained professionals with extensive experience in governmental accounting, auditing, and consulting services with offices in Cypress and Riverside, California.

Your main contact will be Mr. Christopher J. Brown. Our contact information can be located on our letterhead. All work for the Agency will be staffed directly out of our Cypress and Riverside offices and will not be subcontracted to any other firm.

Our Firm is fully automated in-house and utilizes current technology and software on all audit engagements. We utilize CCH ProSystems *fx* Engagement[®] Audit Software.

Professional Education

It is a requirement of the State Board of Accountancy for all public accounting firms who are involved in the audits of government entities to allocate a specific portion of continuing education in governmental accounting and auditing every two years. Fedak & Brown LLP has met this requirement for all staff involved with governmental accounting and auditing. Our Firm's strict adherence to these continuing professional education standards create the highest quality staff that can be assigned to the audit of the Agency over the term of our agreement. Our Firm also requires that all personnel at all organizational levels adhere to the independence rules, regulations, interpretations, and rulings of the AICPA, California State Society of CPAs, State Board of Accountancy, State Statute, and in some cases, the Securities and Exchange Commission and other regulatory agencies. Fedak & Brown LLP has never been the object of any disciplinary action in its entire existence.

Experience and Technical Competence

We have prepared a listing of some of our governmental audit clients on the next page. We believe this listing exemplifies that we have significant experience in conducting high-quality audits of local governments and enterprise special districts. Our governmental audit team has significant experience in auditing special district governmental agencies and our team members may have conducted some of these audits over the past year (see next page).

Firm Qualifications and Experience, continued

“We Are Committed to the Governmental Special District Industry!”

The following is a listing of some of our Governmental Special District Clients that our Audit Teams have served by County!

Kern County

*Bear Valley Community Services District
Indian Wells Valley Water District
Stallion Springs Community Services District*

Los Angeles County

*Castaic Lake Water Agency
Crescenta Valley Water District
Greater Los Angeles County Vector Control District
Long Beach Airport
Long Beach Water Department
Palmdale Water District
Palos Verdes Library District
San Gabriel Valley Municipal Water District
Sanitation Districts of LA County
Southern California Library Cooperative
Valley County Water District
Water Replenishment District*

Orange County

*Buena Park Library District
Capistrano Bay Community Services District
East Orange County Water District
El Toro Water District
Irvine Ranch Water District
Mesa Consolidated Water District
Nature Reserve of Orange County
Rossmoor/Los Alamitos Area Sewer District
Santiago County Water District
Southern California Coastal Water Resource Authority
Yorba Linda Water District*

Riverside County

*Beaumont-Cherry Valley Water District
Cabazon Water District
Coachella Valley Mosquito and Vector Control
Desert Recreation District
Edgemont Community Services District
Idyllwild Fire Protection District
Lake Hemet Municipal Water District
Northwest Mosquito and Vector Control
Santa Ana Watershed Project Authority
Temecula Public Cemetery District
Western Municipal Water District*

Santa Barbara County

*Goleta Water District
Montecito Water District
Santa Maria Public Airport Authority
SantaYnez Community Services District
Summerland Sanitary District*

San Bernardino County

*Baldy Mesa Water District
Big Bear City Community Services District
Big River Community Services District
Chino Basin Water Conservation District
Chino Basin Watermaster
Helendale Community Services District
Hi-Desert Water District
Inland Empire Utilities Agency
Joshua Basin Water District
Mojave Water Agency
Monte Vista Water District
Phelan Pinon Hills Community Services District
San Bernardino Valley Water Conservation District
Victor Valley Wastewater Reclamation Authority
Water Facilities Authority - JPA
West Valley Mosquito and Vector Control District
West Valley Water District*

San Diego County

*Leucadia Wastewater District
Public Agency Self-Insurance System
Rincon Del Diablo Water District
Vallecitos Water District*

Ventura County

*Gold Coast Transit
Oxnard Harbor District
Pleasant Valley Recreation and Park District
Saticoy Sanitary District
Triunfo Sanitation District
Ventura County Resource Conservation District
Ventura Regional Sanitation District*

Northern California/Bay Area

*Aromas Water District
Avila Beach Community Services District
Butte County Mosquito and Vector Control District
Central Water District
Coastside County Water District
North Marin Water District
McKinleyville Community Services District
Oakdale Irrigation District
Pajaro Valley Water Management Agency
Purissima Hills Water District
San Lorenzo Valley Water District
Scotts Valley Water District
Solano Irrigation District
Soquel Creek Water District
Westborough Water District*

Firm Qualifications and Experience, continued

Quality Control

The Board of Directors of the Agency can measure the quality of the opinions expressed by Fedak & Brown LLP by evaluating the level of professional standards maintained by our Firm as discussed in this proposal. The Board of Directors can also measure the performance and quality control of our Firm by evaluating our participation in the profession's peer review process as well as evaluating our Firm's professional standards and quality of work ethic in discussions with our Firm's current client base in the special district industry.

Fedak & Brown LLP is pleased to announce the successful completion of our most recent independent quality review of our accounting and auditing practice, which included a review of specific governmental audit engagements. Our Firm's governmental audit engagements were reviewed as they relate to governmental agencies and other special districts in the field of governmental auditing. After a thorough study of our procedures and work practices, the reviewers concluded that our Firm complies with the stringent quality control standards established by the American Institute of Certified Public Accountants (AICPA). Our Firm has received an unmodified opinion in every independent quality review that it has participated in since the inception of the program by the profession.

A team of independent CPAs, who were appointed by the California Society of Certified Public Accountants, conducted the review. Using guidelines established by the AICPA, the reviewers determined that our Firm has an effective quality control system and that our accounting and auditing work conforms to professional standards. Our Firm has not had any clients who have been the subject of any desk reviews. ***Our Firm has never been the subject of any disciplinary action by any State or Federal Agency in its entire existence.***

Our continued participation in the required periodic quality review, our voluntary membership in the AICPA and California Society of CPAs, as well as our continuing professional education supports our commitment to quality and our high standards for client service.

Fedak & Brown LLP is an equal opportunity employer and certifies that our Firm is in compliance with the Civil Rights Act of 1964, the State Fair Employment Practice Act, and all other applicable federal and state laws and regulations relating to equal opportunity employment, including Executive Order No. 11246 of September 24, 1965. Our Firm is committed to affirmative action in hiring practices.

Firm Qualifications and Experience, continued

Marcia J. Hein, CPA

5922 Bromborough Drive
Windsor, CO 80550

Phone: (970) 775-7332 e-mail: marcia@mjfh-cpa.com

Report on the Firm's System of Quality Control

April 29, 2019

To the Partners
Fedak & Brown, LLP
and the Peer Review Committee of the California Society of CPAs

I have reviewed the system of quality control for the accounting and auditing practice of Fedak & Brown, LLP (the firm) in effect for the year ended September 30, 2018. My peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, in any.

Peer Reviewer's Responsibility

My responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on my review.

Required Selections and Considerations

Engagements selected for review included an engagement performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act.

As a part of my peer review, I considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of my procedures.

Opinion

In my opinion, the system of quality control for the accounting and auditing practice of Fedak & Brown, LLP in effect for the year ended September 30, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Fedak & Brown, LLP has received a peer review rating of *pass*.

Marcia J. Hein, CPA

Marcia J. Hein, CPA

Partner, Supervisory, and Staff Qualifications and Experience

Summary Qualification of Key Personnel

Our Firm's philosophy is to take a team approach in conducting our audit engagements. A properly developed and mutually agreeable timeline results in the most efficient engagement. We want you to not only think of us as your auditor, but as a resource to be used whenever the need occurs. Also, it is our Firm's philosophy to have our partners, and audit manager/supervisor involved in the day-to-day audit details of our clients.

You will have an Engagement Partner as well as a Technical Review Partner and a governmental audit manager/supervisor assigned to the audit of the Agency; in addition, one or more staff accountants (governmental auditing staff only) will be assigned to the audit. Each team member has the following responsibilities:

The engagement partner is responsible for all services provided to the Agency. The engagement partner's responsibilities consist of the overall planning, supervision, and review of the audit test work and the audit report.

The governmental audit manager/supervisor is responsible for coordinating the audit test work, which includes the on-site supervision of staff and the preparation of the audit report. Once audit test work is completed, the governmental audit manager will work with the supervisor to complete the Agency's reports. The manager will be your contact throughout the engagement year.

The governmental audit staff accountant will be in the field conducting the audit test work. The staff accountant is responsible for testing internal controls, conducting substantive procedures, and interacting with your staff at your staff's convenience. Prior to discussions with your staff, the staff accountant will make sure that all facts have been evaluated to minimize utilizing your staff's time for audit assistance purposes.

Knowledge and Understanding of Local Environment

The engagement team strives to be experts within the governmental sphere. We keep ourselves apprised of current issues affecting the Agency's operating environment.

Partner Participation

The partner in charge of the audit will be available to attend meetings of the Agency's Administrative/Finance Committee and the Board of Directors to discuss and report on the audit process and the deliverables associated with the audit. We will provide the Agency with accounting advice regarding subjects that could affect the report, particularly those that will directly impact its recipients.

Partner, Supervisory, and Staff Qualifications and Experience, continued

CHARLES Z. FEDAK, CPA, MBA TECHNICAL REVIEW PARTNER

Education:	Bachelor of Science – Business Administration: Accountancy – California State University, Long Beach 1973 Master of Business Administration – California State University, Long Beach 1984
License:	Certified Public Accountant - 1983
Continuing Education	Total hours were 136 hours in last two years of which 32 were in governmental accounting and auditing subjects. Mr. Fedak has the Governmental Auditing Standards requirement for governmental CPE.
Memberships	California Society of Certified Public Accountants American Institute of Certified Public Accountants National Association of Corporate Directors
Experience	<p>Charles Z. Fedak is a CPA in the State of California and has been in public accounting for forty-two plus years, having worked seven years at the national firm level before starting his own practice in January of 1981. Mr. Fedak holds a Bachelors of Science Degree in Accounting and a Masters in Business Administration from California State University, Long Beach. He has extensive experience in the audits of governmental entities including cities, towns, and special districts, while working at the national firm level as well as in our own Firm.</p> <p>Mr. Fedak’s public accounting experience includes tenure with Big Four CPA Firms, Ernst & Young (“EY”) and KPMG. He is also involved in auditing of governmental and non-profit entities as well as medium to large manufacturing, construction and service oriented corporations. He has thorough knowledge of Generally Accepted Accounting Principles, Governmental Accounting, and Auditing Standards as well as the Single Audit Act. His work experience also includes tax planning and preparation at the corporate, individual, estate and trust levels.</p> <p>Member of Board of Directors – Molina Healthcare, Inc. (MOH) New York Stock Exchange 2002 – 2019</p> <ul style="list-style-type: none">➤ Chairman, Compensation Committee – MOH; 2002 – 2006➤ Chairman, Audit Committee – MOH; 2004 – 2019 <p>Mr. Fedak has also participated in various tours and educational trips sponsored by the Metropolitan Water District, including the southern section of the Colorado River and the northern portion of the California Delta as they both relate to the State Water Project.</p>

Partner, Supervisory, and Staff Qualifications and Experience, continued

CHRISTOPHER J. BROWN, CPA, CGMA ENGAGEMENT PARTNER

Education:	Bachelor of Arts - Business Administration: Finance – California State University, San Bernardino 1995 Accountancy – California State University, San Bernardino 1999
License:	Certified Public Accountant – 2002
Continuing Education	Total hours were over 90 hours in last two years of which 32 were in governmental accounting and auditing subjects. Mr. Brown has the Governmental Auditing Standards requirement for governmental CPE.
Memberships	California Society of Certified Public Accountants American Institute of Certified Public Accountants Government Finance Officers Association California Society of Municipal Finance Officers Association
Experience	<p>Christopher J. Brown is a CPA in the State of California and has over eighteen years of experience in public accounting and auditing governmental entities having worked at a national firm. Mr. Brown holds a Bachelor's Degree from California State University, San Bernardino. He has extensive experience in the areas of governmental financial and compliance reporting.</p> <p>Member of Board of Directors – Treasurer, Riverside County Philharmonic</p> <p>Mr. Brown's public accounting experience includes tenure with CPA firm RSM. He is also involved in auditing of governmental and non-profit entities as well as medium to large manufacturing, construction and service oriented corporations. Has thorough knowledge in Generally Accepted Accounting Principles, Governmental Accounting, and Auditing Standards as well as the Single Audit Act.</p> <p>Mr. Brown has provided significant audit and accounting services to various governmental entities. In these accounting engagements, he has been involved in the strategic planning processes, design and implementation of policies and procedures. He has also been involved in the implementation of performance management budgeting and planning processes.</p> <p>He is currently involved on the following major governmental engagements:</p> <ul style="list-style-type: none">➤ Solano Irrigation District➤ Oakdale Irrigation District➤ Tri-Dam Project & Tr-Dam Authority➤ Hi-Desert Water District➤ Indian Wells Valley Water District➤ Monte Vista Water District➤ Joshua Basin Water District➤ Santa Maria Public Airport District➤ Phelan Pinon Hills Community Services District➤ Bear Valley Community Services District

Partner, Supervisory, Staff Qualifications and Experience, continued

ANDY BECK, CPA ADVISING PARTNER

Education:	Bachelor of Arts in Economics – University of California, Irvine 2001
License:	Certified Public Accountant – 2008
Continuing Education	Total hours were 90 hours in last two years of which 24 were in governmental accounting and auditing subjects. Mr. Beck has the Governmental Auditing Standards requirement for governmental CPE.
Memberships	California Society of Certified Public Accountants
Experience	<p>Over twelve years of experience in public accounting and auditing governmental entities, not-for-profit organizations, and employee benefit plans. Mr. Beck is involved in 30%-40% of the Special District clients served by our Firm.</p> <p>Mr. Beck has provided significant audit, accounting and consulting services to various governmental entities. In these attest engagements, he has been involved in the strategic planning processes, design and implementation of policies and procedures.</p> <p>He has been involved on the following governmental special districts engagements:</p> <ul style="list-style-type: none">➤ Solano Irrigation District➤ Oakdale Irrigation District➤ Hi-Desert Water District (Water & Wastewater)➤ San Lorenzo Valley Water District➤ Santa Maria Public Airport District➤ Avila Beach Community Services District➤ Aromas Water District➤ Central Water District➤ Butte County Mosquito and Vector Control District➤ Antelope Valley Air Quality Management District➤ Victor Valley Wastewater Reclamation Authority

Partner, Supervisory, and Staff Qualifications and Experience, continued

JEFF PALMER AUDIT SUPERVISOR

Education:	Bachelor of Science – Business Administration: Accountancy & Finance – California State University, Long Beach 2005
License:	In Process
Continuing Education	Total hours were 80 hours in last three years of which 32 were in governmental accounting and auditing subjects. Mr. Palmer meets the Governmental Auditing Standards requirement for governmental CPE.
Memberships	California Society of Certified Public Accountants
Experience	<p>Over fourteen years of experience in public accounting and auditing of governmental, private, and non-profit entities. Relevant governmental experience includes cities, special districts, airports, transportation agencies, and public financing authorities. He has extensive experience in conducting financial audits under GAO Yellow Book standards and compliance single audits in accordance with OMB 2 CFR part 200, subpart F. He has assisted clients in implementation and publishing their Comprehensive Annual Financial Reports in compliance with GFOA requirements.</p> <p>Mr. Palmer has provided significant audit, accounting, and consulting services to various governmental entities. In these accounting and auditing engagements, he has been involved in the strategic planning processes, design and implementation of policies and procedures, performance management budgeting and planning processes, financial reviews, and cash management practices. In these consulting engagements, he has provided services including franchise tax compliance reviews, excise tax compliance and reporting reviews, and enterprise utility tax-exempt purchasing reviews.</p> <p>He has been involved on the following governmental special districts engagements:</p> <ul style="list-style-type: none">➤ La Puente Valley County Water District➤ Monte Vista Water District➤ Crescenta Valley Water District➤ Orange County Water District➤ Indian Wells Valley Water District➤ North Marin Water District➤ Westborough Water District➤ Coastside County Water District➤ Mojave Water Agency➤ Bighorn Desert View Water Agency➤ Santa Maria Public Airport District➤ Phelan Pinon Hills Community Services District➤ Helendale Community Services District➤ Bear Valley Community Services District

References

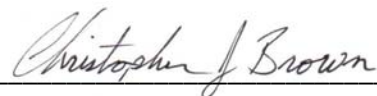
References

Presented below are four client references of officials of California Special Districts and/or agencies who currently conduct enterprise type activities. Please do not hesitate to contact these references regarding our Firm and the high level of service we provide.

1. Ms. Cammie Morin, Finance Manager Solano Irrigation District 810 Vaca Valley Parkway, Suite 201 Vacaville, CA 95688	Irrigation District Annual Audit – Financial Statement 707.448.6847 Partner: Christopher Brown, CPA CGMA
2. Mr. Jonathan Abadesco, CFO Hi-Desert Water District 55439 Twentynine Palms Highway Yucca Valley, CA 92284	Water/Wastewater District Annual Audit – CAFR 760.228.6284 Partner: Christopher Brown, CPA CGMA
3. Ms. Sharon Cisneros, CFO Oakdale Irrigation District 1205 East F Street Oakdale, CA 95361	Irrigation District Annual Audit – Financial Statements 209.840.5501 Partner: Christopher Brown, CPA CGMA
4. Mr. Brian Jaruszewski, Finance & Administrative Manager Tri-Dam Project & Tri-Dam Power Authority 31885 Old Strawberry Road Strawberry, CA 95375	Power & Water Agencies Annual Audit 209.965.3996 Partner: Christopher Brown, CPA CGMA

Firm Provided Affirmations

- A. Fedak & Brown LLP affirms that the Firm and all key professional staff are properly registered and licensed or supervised by certified public accountants in good standing duly authorized to practice in the State of California.
- B. Fedak & Brown LLP affirms that the Firm is independent of the Agency, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial and compliance audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States.
- C. Fedak & Brown LLP affirms that the Firm currently maintains errors and omissions insurance coverage in the aggregate amount of one million dollars and general liability coverage of two million dollars. The Firm will provide the required insurance coverage and Accord insurance form to the Agency upon acceptance of the audit engagement.
- D. Fedak & Brown LLP affirms that it has the necessary experience to conduct high-quality audits of local government and enterprise special districts and agencies in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial and compliance audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States and the Single Audit Act, *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).
- E. Fedak & Brown LLP affirms that it will meet your timing requirements to begin and complete the audit of the Agency.
- F. Fedak & Brown LLP affirms that it will staff the audit of the Agency with experienced personnel and not use this audit as training grounds for new staff and that no person designated as “key” to the project shall be removed or replaced without the prior written consent of the Agency.
- G. Fedak & Brown LLP affirms that it has never been the subject of any lawsuits, claims of fraud, malpractice, and/or disciplinary action by any State or Federal Agency in relation to the Firm’s governmental practice in its entire existence.
- H. Fedak & Brown LLP affirms that it has not been censured or disciplined from the State Board of Accountancy.
- I. Fedak & Brown LLP affirms that it will allow the Agency or their designee access to pertinent audit work papers, financial reports, and management letters.
- J. Fedak & Brown LLP affirms that it has never filed bankruptcy, there is no pending litigation against the Firm, there are no planned office closings, there are no impending mergers, and there are no potential labor disputes that may impede us the ability to complete the audit for the Agency.

Signature of Authorized Official: 

Name: Christopher J. Brown, CPA CGMA

Title: Partner

Firm: Fedak & Brown LLP

Date: November 8, 2021

Our Specific Approach to your Audit

Specific Audit Approach

Our Firm's audit approach is tailored to each client in the following manner:

- We understand the significant work requirements of our clients. We work with our clients' schedules when scheduling segments of the audit or requesting documentation in order to minimize disruption during the audit process.
- We strive to utilize support already prepared by our clients in order to avoid duplication or unnecessary requests for audit supporting schedules.
- We have implemented a paperless audit process that utilizes CCH ProSystems fx Engagement[®] and Practitioners Publishing Company software packages. These platforms provide for greater efficiency within the audit process. In addition, we fully embrace the utilization of data extraction capabilities within a client's reporting system to further increase efficiency and reduce demands on client staff time.
- Our staff is trained and familiar with government accounting and auditing concepts, so you will see the difference in working with our professional staff.
- We audit various large and small governmental organizations, allowing us to consult with our clients on implementing various best-practices in their organizations.
- We believe that regular communication is the most important part of the audit process; as a result, we ask that if you ever have any questions about any financial, accounting, or auditing issues, please contact us anytime throughout the year.

Interim Audit Planning and Testwork

Planning is necessary to ensure a quality audit, efficient use of professional staff, and timely delivery of reports. Adequate planning of the audit is essential to minimize disruption of the ongoing daily operations of the Agency. We have developed a comprehensive and efficient planning process. We will begin the planning of the audit upon notification of award of the contract.

Tasks to be accomplished during the planning phase include:

- Conducting an Audit Entrance Conference with the Agency's Board of Directors and management to discuss the scope and timing of the audit test work, the availability of the Agency's accounting staff, prior audit problems encountered, the extent of interim audit test work to be performed, the establishment of a liaison for the audit, and the arrangement for workspace and other needs to conduct the audit test work.
- Reviewing the Board minutes, agreements/contracts, and applicable strategy for the audit period.
- Interviewing finance staff regarding internal controls.
- Discussing the status of prior year's audit findings, if any.
- Reviewing the Agency's internal control structure and communication of recommendations to the Agency's management team concerning their policies and procedures.
- Testing the controls of audit areas to determine the effectiveness of the Agency's internal control structure.
- Evaluation of any unusual items noted from our analytical procedures.
- Reviewing important contracts, debt issues, leases, and joint power agreements.
- Providing the Agency with suggestions in regard to closing the accounting records subsequent to year end. Our assistance and communication in closing the Agency's accounting records for the year are expected to minimize the number of adjustments required as a result of the audit.

Our Specific Approach to your Audit, continued

Interim Audit Planning and Testwork, continued

Based on the aforementioned procedures, we obtain an understanding of the Agency's internal controls to determine whether they are designed to prevent, and detect and correct material misstatement due to error or fraud. If the Agency's internal controls are properly designed, we evaluate whether these internal controls have been implemented. Finally, we determine if the implemented internal controls are effective. The results of our interim audit planning and testwork will determine the nature, scope, and timing for our final audit testwork.

Final Audit Test Work

After the Agency's personnel closes the accounting records for the year, finalizes the trial balance, and prepares audit supporting schedules, we will commence performing our final audit testwork.

Our final examination will include substantive audit procedures of critical audit areas which we deem necessary. Substantive audit procedures include:

- Inspection – consists of the examination of records or documents, whether internal or external, in paper form, electronic form, or other media or a physical examination of an asset. All audit areas subject to this procedure as a normal audit procedure or as a result of risk assessment.
- Observation – consists of looking at a process or procedure being performed by the Agency's staff. When applicable, the inventory count by the Agency's personnel can be observed.
- External Confirmation – consists of verifying certain account balances and their elements from a third party affiliated with the Agency. Account balances subject to external confirmation include cash, accounts receivable, accounts payable, and long-term debt.
- Recalculation – consists of checking the mathematical accuracy of documents or records. All audit areas subject to this procedure as a normal audit procedure or as a result of risk assessment.
- Analysis – consists of the evaluation of financial information with both financial and nonfinancial data. Such procedures include the investigation of identified fluctuations and relationships that are inconsistent with other relevant information or that differ from expectations. All audit areas subject to this procedure as a normal audit procedure or as a result of risk assessment. In addition, a preliminary and final analysis of the Agency's financial statements are performed during every audit.
- Inquiry – consists of seeking information of knowledgeable persons, both financial and non-financial, within the Agency. Based on the responses to our inquiries, additional procedures may be performed. All audit areas subject to this procedure as a normal audit procedure or as a result of risk assessment.

During the performance of our substantive audit procedures, we also evaluate the reasonableness of significant estimates, the existence of related party transactions or any uncertainties, and subsequent events for inclusion in the financial statements and/or note disclosure.

Our Specific Approach to your Audit, continued

Audit Completion

At the completion of each annual audit, we will meet with the Agency's management team to review our audit findings. We will communicate all deficiencies in controls which may assist the Agency in strengthening their internal control structure. Comments and recommendations relating to the accounting system will also be discussed. Finally, we will discuss all findings noted during the engagement. After the discussion, the final report will be submitted to the Agency.

Identification and Communication of Internal Control Matters

The objective of our audit is to form an opinion of the Agency's financial statements. Our objective is not to identify deficiencies in internal controls; however, when control deficiencies are identified in the course of our audit and if they constitute significant deficiencies or material weaknesses, we will communicate in writing those deficiencies to those charged with governance and management of the Agency.

Audit Documentation

We will document matters pertaining to our audit planning and audit test work. The audit documentation will clearly demonstrate procedures performed, evidence obtained, and conclusions reached.

Communication with Management and the Board of Directors

In addition to our written reports, we believe an oral presentation to the Agency's management, Administrative/Finance Committee, and the Board of Directors, to be a minimum service provided by our Firm and would be pleased to schedule a mutually convenient time for such a presentation at the conclusion of the engagement or any time during the progression of the audit.

Other Assistance

Providing management assistance requires more than having talented people on staff; it requires a proactive approach. First, we assign experienced senior level professionals to our engagements. Our client base of governmental entities and commercial companies demand broad business and industry experience, as well as technical expertise. Those talented professionals are exposed to various clients and have develop an in-depth understanding of particular situations.

Second, we actively look for opportunities to provide assistance. We try to initiate rather than respond. For instance, if we believe a situation is developing, we will approach the client, offer to investigate, and provide recommendations. If a formal project to address the problem is required, we will define the approach, execute the assignment, and follow through with implementation assistance.

Timing of Our Procedures

We understand that the Agency is looking for value in the professional relationship they have with their auditors. Value comes from the knowledge, experience, and dedication that our Firm employs. We stress employs because all of the knowledge and expertise shown on paper will reap no benefit to you unless it is applied. This application equates to time well spent. We have developed an audit plan that we feel will accomplish the objectives of the Agency and will meet your special needs.

In order to accomplish our audit objectives and meet your deadlines for delivery, the sequence and timing of our procedures are critical. Interim fieldwork and final fieldwork will be scheduled based on the Agency's needs and requirements.

Our Specific Approach to your Audit, continued

Timing of Our Procedures, continued

The draft financial statements and management report will be available for review within two weeks of final fieldwork. The preparation and submission of the Annual State Controller’s Report will be no later than January 31st, of each year or as prescribed by law.

In the table that follows, we provide a summary of our planned activities and their timing based on our understanding of the Agency’s requirements:

Timing	Activity
<u>Activities will be conducted prior to and through audit fieldwork</u>	Provide Audit Plan and transition efforts Interim Fieldwork - Conduct audit entrance conference. Perform preliminary procedures including: initial control assessments, minute and contract/major agreement review, major transaction review, conduct EDP review, final controls assessment, determination of specific audit procedures, provide finance department with audit plan and listing of audit schedules required, conduct progress conference with key Finance Personnel. Complete test for Federal Awards (if required). Communication with Agency’s management about interim fieldwork status and any potential findings or issues.
Between March 1 st and 14 th of each year	Commence audit fieldwork. Conduct audit exit conference, including discussion of draft AJE’s and Management Letter comments (if any).
By March 31 st of each year	Provide draft of the Financial Statements and Management Report.
By January 31 st or as prescribed by law	Prepare and submit the Annual State Controller’s Report.
April or May of each year	Present the Financials and audit results to the Board.

Proposed Hours and Segmentation of the Audit

See our Cost Proposal for further information of the segmentation of the proposed audit process by hours and staffing.



**Certified
Public
Accountants**



**Consultants
& Advisors**



SOUTH FEATHER WATER AND POWER AUTHORITY

Cost Proposal

**For the Years
2021—2023**

**Christopher J Brown CPA CGMA
Charles Z. Fedak CPA, MBA
Andy Beck, CPA**

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chuck@fedakbrownllp.com

California BOA License Number: 7723





Charles Z. Fedak, CPA, MBA
Christopher J. Brown, CPA, CGMA
Andy Beck, CPA

Fedak & Brown LLP

Certified Public Accountants

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Riverside, California 92507
(951) 783-9149

November 8, 2021

Mr. Rath Moseley, General Manager
South Feather Water and Power Agency
2310 Oro-Quincy Highway
Oroville, California 95966

Re: Request for Proposal for Independent Audit Services

Dear Mr. Moseley:

Based on our understanding of the South Feather Water and Power Agency (Agency) requirements, our fees for audit services at our discounted rates for the years ended December 31, 2021, through December 31, 2023, are noted in Exhibit II. The components of our fees for audit services are itemized in Exhibit III. These fees are based on our understanding of the Agency's and Plan's audit requirements.

Our not-to-exceed fee proposal is contingent upon our understanding of your requirements and the assistance we require as noted in our original audit technical proposal. Additional services not included in this proposal will be based on our discounted billing rates based on the level of experience required. We would execute a separate contract for these services, if they are requested by the Agency and/or the Plan.

I am authorized to make representations for Fedak & Brown LLP and am duly authorized to sign a contract with the South Feather Water and Power Agency.

Christopher J. Brown, CPA, CGMA

November 8, 2021

Date

Exhibit I – Proposed Hours and Our Fees

Proposed Hours and Our Fees

We anticipate that, for the years ended December 31, 2021 through 2023, the audits of the Agency will approximate 220 hours. These hours, by major area, are summarized as follows:

Breakout of Audit Hours				
Audit Steps	Partner	Manager	Staff	Total
Planning	4	8	20	32
Controls Testwork	8	24	24	56
Substantive Testwork	8	32	48	88
Reporting	10	26	8	44
	<u>30</u>	<u>90</u>	<u>100</u>	<u>220</u>

As shown above, we expect approximately 55% of engagement hours to come from the Partners and Managers/Supervisor assigned to the Agency.

Working on the premise that we will be provided with a year-end trial balance, along with an audit package of reconciled balances and supporting schedules of all balance sheet accounts, we expect to perform the audit of the Agency and Plan at fees as stated in the attached Schedule of Professional Fees on Page 4 for each year ending December 31, 2021 through 2023.

Our fees are based on the product of the time spent on the engagement and the billing rates of the individuals assigned. We will obtain the assistance of the Agency's personnel to the extent possible and otherwise endeavor to keep these charges to a minimum. We will submit progress billings monthly to your office as our work progresses, which will be due and payable thirty days from the date of the invoice.

Exhibit I – Proposed Hours and Our Fees, cont'd

Proposed Hours and Our Fees, cont'd

Based upon the present size and scope of the activities of the Agency, we expect to perform the services enumerated above at our discounted hourly rates. Our hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to the audits. We have provided a breakdown of our current hourly rates, which would apply to these engagements on the attached Schedule of Professional Fees by Hours on Pages 5 and 6 of this cost proposal.

We will maintain our work papers for at least seven years and make them available to the Agency, state agencies, the General Accounting Office, and other parties upon the direction of the Agency.

We want the Board to understand that we will provide any assistance and answer any questions that the Agency's staff or members of the Board may have when they arise for the entire duration of our contract. We find it important to stay abreast of the Agency's activities and accounting issues during the entire engagement.

We would like to thank you and the Board for the opportunity to submit a proposal for auditing services of the Agency. Because of our experience in special Agency's and our interest in the Agency, we will provide you with assistance in your operations as well as meet the audit needs of the organizations. Also, we will continually make recommendations on these and other matters that come to our attention. We are proud of the professional services we provide and encourage you to make inquiries to any of our clients about their satisfaction with our services and the quality of our staff.

Exhibit II – Schedule of Professional Fees

South Feather Water and Power Agency					
Engagement Fees By Calendar Year	Audit Service Fees*	Not-to-Exceed Estimate of Out of Pocket Costs**	Total Audit Fee	Optional Additional Items	Total Engagement
Year 2021	\$ 25,400	1,100	26,500	750	27,250
Year 2022	25,400	1,100	26,500	750	27,250
Year 2023	<u>25,400</u>	<u>1,100</u>	<u>26,500</u>	<u>750</u>	<u>27,250</u>
Total Three Year Contract Price	\$ <u>76,200</u>	<u>3,300</u>	<u>79,500</u>	<u>2,250</u>	<u>81,750</u>

* Professional audit services fees, including preparation of the Annual Financial Report – labor only.

** Estimate of out-of-pocket costs consist of: travel, mileage, postage and printing costs. Out-of-pocket costs may not be fully utilized

*** Additional items consist of: (1) Preparation of the Agency's annual State Controlers Report (if requested).

Please note that any additional services requested by the Agency during the audit periods shall be negotiated at the stated hourly rates per year as noted in the following schedules per year.

See our estimate per engagement on the Schedule of Fees by Hours on the following page.

Exhibit III – Schedule of Fees by Hours

South Feather Water and Power Agency Calendar Year 2021

Breakdown of Fees by Hours

	Hours	Hourly Rates	Total
Calendar Year 2021 Audit of:			
Agency's Annual Financial Report			
Partner - Engagement & Technical	30	\$ 160	\$ 4,800
Manager/Supervisor	90	140	12,600
Staff	100	80	8,000
Total Financial Statement Audit for 2021	220		25,400
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)			1,100
Total Maximum for 2021			26,500
Additional Items Asked to be Priced by the Agency			
Preparation of the District's Annual State Controller's Report	6	125	750
Total Additional Items for 2021	6		750
Total Maximum with Additional Items for 2021	226		\$ 27,250

South Feather Water and Power Agency Calendar Year 2022

Breakdown of Fees by Hours

	Hours	Hourly Rates	Total
Calendar Year 2022 Audit of:			
Agency's Annual Financial Report			
Partner - Engagement & Technical	30	\$ 160	\$ 4,800
Manager/Supervisor	90	140	12,600
Staff	100	80	8,000
Total Financial Statement Audit for 2022	220		25,400
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)			1,100
Total Maximum for 2022			26,500
Additional Items Asked to be Priced by the Agency			
Preparation of the District's Annual State Controller's Report	6	125	750
Total Additional Items for 2022	6		750
Total Maximum with Additional Items for 2022	226		\$ 27,250

Exhibit III – Schedule of Fees by Hours

South Feather Water and Power Agency Calendar Year 2023

Breakdown of Fees by Hours

Calendar Year 2023 Audit of:	Hours	Hourly Rates	Total
Agency's Annual Financial Report			
Partner - Engagement & Technical	30	\$ 160	\$ 4,800
Manager/Supervisor	90	140	12,600
Staff	100	80	8,000
Total Financial Statement Audit for 2023	220		25,400
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)			1,100
Total Maximum for 2023			26,500
Additional Items Asked to be Priced by the Agency			
Preparation of the District's Annual State Controller's Report	6	125	750
Total Additional Items for 2023	6		750
Total Maximum with Additional Items for 2023	226		\$ 27,250

South Feather Water and Power Agency				
Auditor Proposals				
For the years ending December 31, 2021, 2022, 2023				
			Mann,	
		Max	Urrutia,	Fedak &
<u>Criteria</u>	<u>SFWPA Standard</u>	<u>Points</u>	<u>Nelson</u>	<u>Brown</u>
Water & Irrigation accounts	6000-7000 customers	10	10	10
Hydropower	4 plants, 120 MW, PG&E	10	0	7
Software	Accela/Springbrook	10	0	0
Local Government, incl CalPERS		10	10	10
Client accounting organization	5 accounting, 2 IT	10	10	10
GASB expertise		10	10	10
Cost	\$20,900 for 2020	40	20	35
	2021 - proposed cost		\$ 29,900	\$ 27,250
	2021 to 2023 3 year proposed costs		3 year cost not submitted	\$ 81,750
	TOTAL POINTS		60	82



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Jaymie Perrin, Environmental Health & Safety Manager

DATE: November 17th, 2021

RE: Business Item - 11/23/2021 Board of Directors Meeting

ACWA – JPIA Risk Control Grant / Commitment to Excellence Program

Resolution 21-23-11

Staff respectfully requests that the board consider adopting the resolution to enter the agency into the Commitment to Excellence (C2E) Program sponsored by our insurance provider ACWA-JPIA. In addition to providing our insurance coverages, ACWA-JPIA also provides significant risk management services to the agency that include; training resources, on-site evaluations, networking, sharing best practices, and educational updates on new laws and regulations, and grant opportunities.

The Commitment to Excellence Program supports the reduction of losses in varying exposure categories and provides the agency an opportunity to review and implement best practices to reduce the frequency of losses and protect agency employee's, its property, and the community we serve. We are currently preparing to submit our grant application for \$10,000 (maximum amount) to support the installation of radio reads at locations that pose a risk to our meter readers. Currently, the price point for a $\frac{3}{4}$ " meter and radio read technology would allow us to purchase 33 complete units to install. These locations are identified by our meter readers and are escalated to the Maintenance Foreman, which allows him to evaluate and further discuss with the EH&S department. The idea of obtaining this funding would allow us to install radio reads in the theme of safety and reducing our exposure to the identified hazards. It also directly correlates to the agency's ideology that every employee plays a critical role in identifying hazards and improving safety.



SOUTH FEATHER WATER & POWER AGENCY

RESOLUTION OF THE BOARD OF DIRECTORS

Resolution 21-23-11

RESOLUTION BY THE BOARD OF DIRECTORS OF THE SOUTH FEATHER WATER AND POWER AGENCY TO ADOPT AND IMPLEMENT THE COMMITMENT TO EXCELLENCE PROGRAM IN PARTNERSHIP WITH ACWA-JPIA

WHEREAS, South Feather Water and Power Agency recognizes the benefits in the support that ACWA-JPIA offers through its risk management services and insurance coverages; specifically the Commitment to Excellence program that strives to minimize the frequency of liability, workers' compensation, and property losses by establishing policies and procedures to maximize safe working conditions on the job;

WHEREAS, through the Commitment to Excellence program commits the agency to implementing best practices to reduce any hazardous exposures and overall insurance costs through risk management controls and practices; and

NOW, THEREFORE, BE IT RESOLVED, that the South Feather Water and Power Agency board acknowledges all information listed within this resolution to be accurate and true, and

BE IT FURTHER RESOLVED, South Feather Water and Power Agency board authorizes staff to pursue the implementation of the Commitment to Excellence program offered through ACWA-JPIA with an effective date of November 23rd, 2021.

Passed, Approved and Adopted by the Board of Directors of the South Feather Water and Power Agency at the regular meeting of said Board on the 23rd day of November 2021, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

(seal)

Rick Wulbern, President

Rath Moseley, Secretary

RATH MOSELEY, certifies that: he is the Secretary of the Board of Directors of the South Feather Water and Power Agency; and that the foregoing is a true and correct copy of a resolution duly and regularly adopted by the Board of Directors of the South Feather Water and Power Agency at a meeting of said Board duly and regularly held on the 27th day of July, 2021, at which meeting a quorum was present and voted; said resolution has not been rescinded and is in full force and effect.

Date

(seal)

Rath Moseley, Secretary
Board of Directors, South Feather Water and Power Agency



Commitment to Excellence

South Feather Water and Power Agency

and the ACWA JPIA in mutual support for ensuring the most consistent, cost effective and broadest possible affordable insurance coverage and related services, and in partnership with all JPIA members, and in the interest of reducing **South Feather Water and Power Agency's** insurance costs, commit to a program of excellence that, through the implementation of "best practices" reduces the potential and frequency of:

- **Vehicle Losses**
- **Infrastructure Related Losses**
- **Construction Related Losses**
- **Employment Practices Claims**
- **Ergonomic (Musculoskeletal) and Fall Injuries**
- **Wildfire Prevention**

and fully support the goal of implementing effective preventative measures that work to achieve these loss reductions.

Walt "Audy" Sells (CEO, ACWA JPIA)
Signature

Signature (General Manager)

Signature (Board Member)

Signature (Board Member)

Signature (Board Member)

Signature (Board Member)

Signature (Board Member)



SOUTH FEATHER WATER & POWER AGENCY

TO: Public Recipients of Agenda Information

FROM: Rath Moseley, General Manager

DATE: November 16, 2021

RE: Real Property Negotiations, and Anticipated and Existing Litigation
Closed Session Agenda Item for 11/23/21 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 already involved or is anticipating. The Board is permitted by law (Brown Act) to confidentially discuss information that might prejudice its legal position, to have a confidential and candid discussion about meet-and-confer issues. Such discussions are exempt from the Brown Act's requirement that matters before the Board be discussed in public. Attendance during the closed-session will be limited to directors, together with such support staff and legal counsel as determined necessary by directors for each subject under discussion.