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Agenda

Date: April 20, 2017

Subject: NCPA Commission Meeting

Location: NCPA's Roseville Office, 651 Commerce Drive, Roseville, California

Time: 9:30 am

The Commission may take action on any of the items listed on this Agenda regardless of whether the matter appears on the Consent Calendar or is described as an Action Item, a Report or an Informational Item. This agenda is supplemented by Staff Reports, which are available to the public upon request. Pursuant to California Government Code Section 54957.5, the following is the location at which the public can view Agendas and other public writings: NCPA Offices, 651 Commerce Drive, Roseville, California, or www.ncpa.com.

Time estimates are provided as part of the Commission's effort to manage its time at Commission meetings. Listed times are estimated only and are subject to change at any time, including while the meeting is in progress. The Commission reserves the right to use more or less time on any item, to change the order of items, and/or to continue items to another meeting. Particular items may be heard before or after the time estimated on the agenda. This may occur in order to best manage the time at a meeting or to adapt to the participation of the public. To ensure participation in a particular item, we suggest arriving at the beginning of the meeting and remaining until the item is called.

Persons requiring accommodations in accordance with the Americans with Disabilities Act in order to attend or participate in this meeting are requested to contact the NCPA Secretary at 916.781.3636 in advance of the meeting to arrange for such accommodations.

1. *Call Meeting to Order and Introductions (9:30 – 9:35 am)*
2. *Approve minutes of the March 23, 2017, Regular Commission Meeting and the April 5, 2017, Special Commission Meeting (9:35 – 9:40 am)*

PUBLIC FORUM

Any member of the public who desires to address the Commission on any item considered by the Commission at this meeting before or during the Commission's consideration of that item shall so advise the Chair and shall thereupon be given an opportunity to do so. Any member of the public who desires to address the Commission on any item within the jurisdiction of the Commission and not listed on the Agenda may do so at this time.

OPEN SESSION

REPORTS AND COMMITTEE UPDATES (9:40 – 10:15 am)

3. General Manager's Business Progress Report and Update
4. Executive Committee
5. Facilities Committee
6. Finance Committee
7. Legal Committee
8. Legislative and Regulatory Affairs Committee
9. Members' Announcements and Meeting Reporting

CONSENT CALENDAR (10:15 – 10:30 am)

All items on the Consent Calendar are considered routine and will be approved without discussion by a single roll call vote. Any Commissioner or member of the public may remove any item from the Consent Calendar. If an item is removed, it will be discussed separately following approval of the remainder of the Consent Calendar. Prior to the roll call vote to approve the Consent Calendar, the Commissioners will be polled to determine if any Member wishes to abstain from one or more items on the Consent Calendar.

10. ***NCPA's Financials for the Months Ended March 31, 2017*** – approval by all members.
11. ***Treasurer's Report for the Months Ended March 31, 2017*** – accept by all members.
12. ***Resolution No. 17-25, Power Engineers, Inc. – Five Year Multi-Task Professional Services Agreement for General Engineering Services; Applicable to the following projects: All NCPA, NCPA Members, SCPPA and SCPPA Member Facilities*** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Power Engineers, Inc. for general engineering services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years for use at all facilities owned and/or operated by NCPA, NCPA Members, the Southern California Public Power Authority ("SCPPA") and SCPPA Member facilities. **Fiscal Impact:** Total cost of the agreement is not to exceed \$1,000,000 over five years to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.
13. ***Resolution No. 17-26, Airgas USA, LLC – First Amendment to Five Year Multi-Task Agreement for Purchase of Equipment, Material and Supplies; Applicable to the following projects: All NCPA Generation Services Plant Locations, Members, SCPPA, and SCPPA Members*** – adopt resolution by all members authorizing the General Manager or his designee to

enter into a First Amendment to Multi-Task Agreement for Purchase of Equipment, Material and Supplies with Airgas USA, LLC, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$750,000 over five years for use at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority (“SCPPA”) or SCPPA Members.

Fiscal Impact: Total cost of the agreement is not to exceed \$750,000 over five years to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

- 14. Resolution No. 17-27, Schweitzer Engineering Laboratories, Inc. – First Amendment to Five Year Multi-Task Professional Services Agreement; Applicable to the following projects: All NCPA Generation Services Plant Locations, Members, SCPPA, and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a First Amendment to Multi-Task Professional Services Agreement with Schweitzer Engineering Laboratories, Inc., with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years for use at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority (“SCPPA”) or SCPPA Members.

Fiscal Impact: Total cost of the agreement is not to exceed \$1,000,000 over five years to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

- 15. Resolution No. 17-28, HDR Engineering, Inc. – Five Year Multi-Task Professional Services Agreement for Engineering Services; Applicable to the following projects: All NCPA Facility Locations, Members, SCPPA, and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with HDR Engineering, Inc. for engineering services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members.

Fiscal Impact: Total cost of the agreement is not to exceed \$1,000,000 over five years to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

- 16. Resolution No. 17-29, Precision Pump and Machine – KSB, Inc. – First Amendment to Five Year Multi-Task General Services Agreement; Applicable to the following projects: All NCPA Generation Services Plant Locations, Members, SCPPA, and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a First Amendment to Multi-Task General Services Agreement with Precision Pump and Machine - KSB, Inc., with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$260,000 over five years for use at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority (“SCPPA”) or SCPPA Members.

Fiscal Impact: Total cost of the agreement is not-to-exceed \$260,000 over five years to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures

- 17. Resolution No. 17-30, Brian Davis dba Northern Industrial Construction – Five Year Multi-Task General Services Agreement for General Services; Applicable to the following projects: All NCPA Generation Services Plant Locations, Members, SCPPA, and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Five Year Multi-Task General Services Agreement with Brian Davis dba Northern Industrial Construction with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members.
Fiscal Impact: Total cost of the agreement is not to exceed \$1,000,000 over five years to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.
- 18. Resolution No. 17-31, Alliance Cooling Products and Construction, Inc. – Five-Year Multi-Task General Services Agreement for General Services, Applicable to the following projects: All NCPA Generation services Plant Locations, Members, SCPPA, and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Five Year Multi-Task General Services Agreement with Alliance Cooling Products and Construction, Inc. for maintenance services with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 for use at all facilities owned and/or operated by NCPA, its Members, Southern California Public Power Authority (“SCPPA”), or SCPPA Members.
Fiscal Impact: Total cost of the agreement is not to exceed \$1,000,000 over five years to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.
- 19. Resolution No. 17-32, Epidendio Construction, Inc. – Five Year Multi-Task General Services Agreement for Maintenance Services; Applicable to the following projects: All NCPA Generation Services Plant Locations, Members, SCPPA, and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Five Year Multi-Task General Services Agreement with Epidendio Construction, Inc. for maintenance services, including grading, excavation, paving, demolition, gravel and/or water hauling, seal coating, and related labor and materials, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members.
Fiscal Impact: Total cost of the agreement is not to exceed \$1,000,000 over five years to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.
- 20. Resolution No. 17-33, Kestrel Power Engineering LLC – Five Year Multi-Task Professional Services Agreement for Engineering Services; Applicable to the following projects: All NCPA Facility Locations, Members, SCPPA and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Five Year Multi-Task Professional Services Agreement with Kestrel Power Engineering LLC for engineering consulting services related to project support and plant operations, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members.
Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures

21. Resolution No. 17-36, Approval of Amendment to Facilities Schedule 5 of the Amended and Restated Facilities Agreement – adopt resolution by all members approving an amendment to Facilities Schedule 5 of the Amended and Restated Facilities Agreement to update the CT1 Project Statistics contained in Section 1.3, to ensure the operating parameters remain consistent with the CAISO Master File.

Fiscal Impact: Costs associated with staff time and resources required to develop the amended Facilities Schedule 5 are accounted for in existing NCPA budget categories.

22. Resolution No. 17-37, Approving Legal Services Agreement with Law Offices of Susie Berlin - adopt resolution by all members appointing the Law Offices of Susie Berlin as NCPA outside Special Counsel/Regulatory Affairs, and authorize the General Manager to execute a five year contract for these services to be paid at an hourly rate of \$335 through June 30, 2017, increasing to an hourly rate of \$390 effective July 1, 2017, with a not to exceed amount \$350,000 annually.

Fiscal Impact: The Law Offices of Susie Berlin currently represents NCPA in this area. The firm's hourly rate for the past four years has been \$335. Under the attached contract, the hourly rate for the firm's services will remain at this level through June 30, 2017. Effective July 1, 2017, the hourly rate will increase to \$390. Payments under this contract are not to exceed \$350,000 annually. The hourly rate does not include expenses. However, the annual cap includes all expenses.

The FY 2017 NCPA Legislative and Regulatory Affairs Committee Budget includes funding to cover expected costs for these special counsel services through the balance of this fiscal year. The FY 2018 NCPA Legislative and Regulatory Affairs Program budget that the Legislative and Regulatory Affairs Committee has recommended for Commission approval includes \$300,000 for these services. Because the Law Offices of Susie Berlin represents other public power clients with shared interests in the regulatory arena, the firm splits the cost of its representation on issues among its clients with common interests, which results in a reduction of overall costs for NCPA on most proceedings. The contract includes provisions that would enable individual NCPA members to retain the Law Offices of Susie Berlin at the same hourly rate and in accordance with this contract as needed, subject to approval by the NCPA General Manager.

DISCUSSION/ACTION ITEMS (10:30 – 10:45 am)

23. Resolution No. 17-34, Ford Construction, Inc. Public Works Agreement - Adit 4 Spoils Facility Repair Project; Applicable to the following project: Hydroelectric Generation Services Facility – adopt resolution by all members authorizing the General Manager to execute a public works agreement with Ford Construction, Inc. and to issue purchase orders and change orders for not to exceed \$2,897,507 for construction of the Adit 4 Spoils Facility Repairs at the NCPA Hydroelectric Project.

Fiscal Impact: The total cost of the Adit 4 Spoils Facility Repair Project is now estimated to be \$3.46M which includes \$285,477 spent to date for design and interim repairs. Previous budget estimates to complete the repair were \$4.15M. Based upon the construction bid, expenditures in 2017 (FY 2018) are now anticipated to be \$3.1M which includes construction, outside construction engineering services, and an 18% contingency. \$500,000 was included in the current fiscal year budget. The proposed FY2018 Hydroelectric budget proposes collecting another \$1,185,000 in FY2018 and using previously collected funds available in the Hydroelectric Capital Development Reserve to fund the Adit 4 Spoils Facility Repair Project until the Capital Development Reserve can

be refunded by Insurance Claim payments or collections in the FY2019 Hydroelectric Budget. On February 9, 2017, the Hydroelectric Project insurance underwriters determined that the Adit 4 Spoils Facility was a covered named asset and that the Adit 4 Spoils Facility Repair Project would be covered by insurance, minus the \$500,000 deductible and items considered as a betterment. The betterments portion of the Project are yet to be determined.

The Commission, on August 17, 2016, authorized the General Manager or his designee to issue purchase orders for not to exceed amount of \$500,000 against previously approved Multi-Task Services Agreements for engineering and permitting support associated with the Adit 4 landslide. The current request is for authorization for the General Manager or his designee to issue purchase orders for not to exceed \$2,897,507 for actual construction.

24. Resolution No. 17-35, Approval of Fiscal Year 2018 Annual Budget – adopt resolution by all members approving the FY 2018 Annual Agency Budget.

Fiscal Impact: Total proposed annual budget cost for FY 2018 is approximately \$361.7 million, which represents an increase of 10.1% or a 33.2 million dollar increase over the FY 2017. The Executive Summary section of the budget document contains an analysis of the overall budget. Allocation of the FY 2018 budget between members and LEC project participants are based on participation levels in NCPA programs and projects and the approved cost allocations.

CLOSED SESSION (10:45 – 11:00 am)

25. Conference with Legal Counsel – Existing litigation pursuant to Government Code Section 54956.9(d)(1): Name of case: *Northern California Power Agency, City of Redding, City of Roseville, and City of Santa Clara v. the United States*, Court of Federal Claims no. 14-817C.

INFORMATIONAL ITEMS (11:00 – 11:15 am)

26. Hydrology Report – update and staff presentation.

NEW BUSINESS

ADJOURNMENT