



651 Commerce Drive,
Roseville, CA 95678

phone (916) 781-3636
fax (916) 783-7693
web www.ncpa.com

Agenda

Date: April 26, 2018

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 22, 2018, Regular Commission Meeting and the April 18, 2018, 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 & Regulatory Affairs Committee
9. Members' Announcements & 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 Month Ended March 31, 2018 – approval by all members.

11. Treasurer's Report for the Month Ended March 31, 2018 – accept by all members.

12. Sale of Disposal of Surplus Property – note and file by all members for the disposal of 2 portable air compressors, 1997 Ford F800 boom truck, 2000 Ford E-350 van, 1999 snorkel man left, 1997 Ford Ranger, 1999 Ford Ranger, 2004 Ford E-350 with utility bed, office furniture, 23 iPhones, and 2 black and white copies.

Fiscal Impact: This report has no direct impact to the Agency.

13. Resolution 18-26, Decommission Funding for the Geothermal Facilities – adopt resolution by all members stating that the collection of funds for the decommissioning of the geothermal facilities be modified based on the 2016 Decommission Study. The recommendation is to continue the current funding schedule (\$1,578,823 per fiscal year) based on the 2006 estimate through FY 2024. Starting in FY 2025, decommission funding will increase to a flat rate of \$2,417,081 per fiscal year through FY 2058.

Fiscal Impact: Acceptance of this recommendation will increase decommission funding from \$1,578,823 to \$2,417,081 (difference of \$838,258) each fiscal year starting in FY 2025 and continuing through FY 2058. Funding has been included in the current fiscal year budget and is available in the Generation Services, Geothermal account for this purpose. Cost allocation will be based on project participation percentages.

14. Resolution 18-27, Halliburton Energy Services, Inc. – Five Year Multi-Task General Services Agreement for well related 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 General Services Agreement with Halliburton Energy Services, Inc. for well related 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: 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.

15. Resolution 18-28, Leidos 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 Leidos Engineering, LLC for transmission and distribution design and engineering services, with any non-substantial changes recommended and approved by NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at all facilities owned and/or operated by the Northern California Power Agency (NCPA), its Members, the Southern California Public Power Authority (“SCPPA”), and SCPPA Members.

Fiscal Impact: This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA currently has in place other enabling agreements for similar services with Burns & McDonnell and Power Engineers, Inc. NCPA seeks bids from as many qualified providers as possible whenever services are needed. Bids are awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

16. Resolution 18-30, TNG Energy Services – Five Year Multi-Task General Services Agreement to service wellhead valves and other associated equipment as part of NCPA’s preventive maintenance and continuing operations; Applicable to the following projects: Geysers Geothermal Facilities only – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with TNG Energy Services for labor, materials and tools to service wellhead valves and other associated equipment as part of NCPA’s preventive maintenance and continuing operations, 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 the Geysers Geothermal Facilities.

Fiscal Impact: This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA currently has in place other agreements for similar services with Northern Industrial Construction and Danick Mechanical, Inc. NCPA seeks bids from as many qualified providers as possible whenever services are needed. Bids are awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

17. Resolution 18-31, TNT Industrial Contractors, Inc. – Five Year Multi-Task General Services Agreement for general T&M maintenance 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 General Services Agreement with TNT Industrial Contractors, Inc. for general T&M maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$2,000,000.00 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 \$2,000,000.00 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 18-32, Approval of Letter of Agreement 18-SNR-02130 – adopt resolution by all members approving the Letter of Agreement 18-SNR-02130, and authorize the General Manager of NCPA to execute Letter of Agreement 18-SNR-02130, on behalf of NCPA, including any non-substantive modifications to Letter of Agreement 18-SNR-02130 approved by NCPA’s General Counsel.

Fiscal Impact: Costs associated with entering into Letter of Agreement 18-SNR-02130 are estimated to be less than \$10,000 for the term of the agreement, and will be allocated according to Base Resource percentages of the represented members. NCPA’s administrative costs for development and administration of the agreement will be allocated to members in accordance with approved cost allocation methodologies as described the NCPA annual budget.

Consent Items pulled for discussion: _____

DISCUSSION / ACTION ITEMS (10:30 – 11:00 am)

19. Resolution 18-24, Hometown Connections, Inc. – Become an initial Member of Hometown Connections, Inc. (HCI), Pay Membership Fee, Appoint NCPA’s Representative and Alternate Representative, and Provide Financial and Accounting Support Services to HCI – adopt resolution by all members authorizing the General Manager or his designee to make payment for the buy in amount required to become an initial Member of Hometown Connections, Inc., (HCI). The buy in amount shall not exceed \$265,000, and shall include the following political subdivisions or governmental instrumentalities, as approved by their governing bodies (collectively “Joint Action Entities”):

- Alabama Municipal Electric Authority (AMEA)
- American Municipal Power, Inc. (AMP Ohio)
- MPUA Resource Services Corporation (MPUA RSC)
- Northern California Power Agency (NCPA)
- Vermont Public Power Supply Authority (VPPSA)

NCPA Staff recommends that the Commission designate the following persons to serve as the Representative and Alternative Representative on the HCI Board of Directors (“Board”) for NCPA, and that they shall serve until his or her successor is appointed by NCPA or until his or her earlier death, resignation, inability to serve, removal, or disqualification:

NCPA:

Representative:	Randy S. Howard, General Manager
Alternative Representative:	Monty Hanks, Chief Financial Officer

NCPA Staff recommends that the Commission approve NCPA Staff participation as officers on the Board, support the Board of Directors election of Randy S. Howard to serve as the Chair of the Board and Monty Hanks to serve as Chief Financial Officer for a term of two years, and support all duties and responsibilities thereof.

NCPA Staff also recommends that the Commission authorize the General Manager or his designee to enter into an agreement to provide financial and accounting support services to HCI with any non-substantial changes as approved by NCPA General Counsel, which HCI Board of Directors has approved to not exceed \$25,000 one-time set-up fee, an annual audit and tax filing fee of approximately \$17,500, and a monthly fee of approximately \$2,750, which shall escalate annually and increase with increased activity.

Fiscal Impact: Total cost of the initial membership is \$265,000. This project was not included in the current fiscal year budget however funds are available in the General Manager's budget to fund this project. Cost allocation will be based on 50/50 participation percentages; 50% based on size allocation and 50% equally shared. No additional budget augmentation is being requested with this approval.

20. Resolution 18-25, Approval of Fiscal Year 2019 Annual Budget – adopt resolution by all members approving the FY 2019 Annual Budget and Working Capital Deposit and Funding Requirement as outlined in Resolution 18-25 and as detailed in the attached budgetary support and Annual Budget document.

Fiscal Impact: The Executive Summary section of the budget document contains an analysis of the overall budget. Total proposed annual budget cost for FY 2019 is approximately \$363.5 million, which represents an increase of 0.35% or a 1.3 million dollar increase over the FY 2018 budget as summarized in the attached schedule. Allocation of the FY2019 Annual Budget between members and LEC participants are based on participation levels in NCPA programs and projects and the approved cost allocations. Final funding allocation for each member is attached to this staff report and shown on page 137 of the budget document.

The total calculated FY 2019 Working Capital Deposit and Funding Requirements for the Annual Budget has increased \$55,658 or 0.58%. The increase is primarily from higher transmission costs due to increased generation. The attached schedule shows each participant's Additional Requirement Charge or (Refund). The Additional Requirement Charge will be billed on the next ARB following Commission approval, and Refunds of credit amounts will likewise be deposited into the applicable participant's individual GOR account.

21. Resolution 18-29, Siemens Energy, Inc. – Change Order No. 1 to Long Term Maintenance Program Agreement; Applicable to the following projects: Lodi Energy Center – adopt resolution by all members authorizing the General Manager or his designee to execute Change Order No. 1 to the Long Term Maintenance Program Agreement with Siemens Energy, Inc., with any non-substantial changes recommended and approved by the NCPA General Counsel for use at the Lodi Energy Center facility.

Fiscal Impact: This Change Order No. 1 will add \$12,720,190 of work to the scope, and will save the members approximately \$990,362.00 per year due to a negotiated reduction in the unit price rate.

INFORMATION ITEMS (11:00 – 11:15 am)

22. *Hydroelectric Owners / Operator Responsibilities* – update and staff presentation.

23. *Hydrology Report* – update and staff presentation.

CLOSED SESSION (11:15 – 11:30 am)

24. *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.

NEW BUSINESS

ADJOURNMENT