



651 Commerce Drive,  
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# Agenda

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**Date:** April 21, 2016

**Subject:** NCPA Commission Meeting

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

**Time:** 9:30 am

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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](http://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 31, 2016, Regular 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 – 10:25 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, 2016** – approval by all members.

**11. Treasurer's Report for the Month Ended March 31, 2016** – accept by all members.

**12. Resolution 16-27, Approve a Multi-Task General Services Agreement with Groome Industrial Service Group, Inc.** – approve resolution by all member authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Groome Industrial Service Group, Inc. for inspection and maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$850,000 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 \$850,000 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 16-28, Approve a First Amendment to Multi-Task Consulting Services Agreement with Baskin Engineering, Inc.** – approve resolution by all member authorizing the General Manager or his designee to enter into a First Amendment to the existing five year Multi-Task Consulting Services Agreement with Baskin Engineering, Inc. for protection relay

upgrades and electrical engineering support, increasing the not to exceed amount from \$225,000 to \$750,000 and revising various provisions to expand the scope of work to include all facilities owned and/or operated by NCPA, its members, Southern California Public Power Authority (SCPPA), or by SCPPA members.

**Fiscal Impact:** upon execution, the 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 16-29, Approve a Multi-Task Professional Services Agreement with Nor-Cal Controls ES, Inc.** – approve resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Nor-Cal Controls ES, Inc. which shall not exceed \$350,000 over five years for engineering and plant control systems technical support services 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, with any non-substantial changes recommended and approved by the NCPA General Counsel.

**Fiscal Impact:** total cost of the agreement is not-to-exceed \$350,000 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 16-30, Approve a Multi-Task General Services Agreement with Syblon Ried** – approve resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Syblon Reid for an amount not-to-exceed \$5,000,000 over a five-year period for routine maintenance on structures and systems including earthwork maintenance; asphalt patch paving maintenance; minor road maintenance; utility easement maintenance; concrete patching maintenance; and tunnel maintenance, with any non-substantial changes recommended and approved by the NCPA General Counsel.

**Fiscal Impact:** total cost of the agreement will not exceed \$5,000,000 over the five year term 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 16-31, Approve a Multi-Task Professional Services Agreement with Schweitzer Engineering Laboratories, Inc.** – approve resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Schweitzer Engineering Laboratories, Inc. for protective relay and automation design services 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, with any non-substantial changes recommended and approved by the NCPA General Counsel.

**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.

- 17. Resolution 16-32, Approval of Advisory Services Under the Lodi Single Member Services Agreement** – adopt resolution by all members approving Attachment A that will be attached to and made part of the Single Member Services Agreement for Special Transactions by and between Northern California Power Agency (NCPA) and the City of Lodi

("Lodi"), under which NCPA will provide Advisory Services on behalf of Lodi acting as its agent regarding management of the RE Astoria 2 PPA and Buyers Joint Project Agreement. NCPA staff also recommends that the Commission authorize the General Manager of NCPA to execute the Attachment A, on behalf of NCPA, including any non-substantive modifications approved by NCPA's General Counsel.

**Fiscal Impact:** NCPA shall invoice Lodi for all costs associated with work performed on behalf of Lodi as described herein on a time and materials basis through the All Resources Bill.

- 18. Resolution 16-35, Approve Revisions to NCPA's Personnel Policy and Procedure Manual** – adopt resolution by all members approving the revisions to NCPA's Policy and Procedure Manual language to bring it into alignment with existing state and federal labor laws.

**Fiscal Impact:** there is no fiscal impact associated with this change.

**Consent Items pulled for discussion:** \_\_\_\_\_

**DISCUSSION / ACTION ITEMS (10:25 – 11:00 am)**

- 19. Resolution 16-34, Approve the Lodi Energy Center May Outage and Associated Cost Increase and Authorizing the General Manager of His Designee to Execute Agreements and Purchase Orders to Carry Out the Work** – adopt resolution by all members approving the Lodi Energy Center May outage and associated cost increase from \$1,032,390 to not to exceed \$1,460,565, due to additional work needed to service the generator bearing and inlet guide vanes on the gas turbine; and authorizing the NCPA General Manager or his designee to execute agreements and issue purchase orders necessary to carry out this work.

**Fiscal Impact:** total cost of the May outage project is \$1,460,565 to be funded as follows:

Operating Reserves (as approved from February belly band/outage work	\$ 444,000
Routine O&M Budget	\$1,016,565
Total May Outage Cost	\$1,460,565

- 20. Resolution 16-26, Proposed Annual Budget for Fiscal Year 2017** – approve resolution by all member adopting the FY 2017 Annual Budget.

**Fiscal Impact:** total proposed annual budget cost for FY 2017 is approximately \$328.5 million, which represents an increase of 3.5 million or 1.1% over the FY 2016 budget. See the Executive Summary section of the budget document for the analysis of the overall budget. Allocation of the FY 2017 NCPA Budget between members and LEC participants are based on participation levels in NCPA programs and projects and the approved cost allocations discussed above. Final funding allocation for each member is attached to this staff report and shown on page 184 of the budget document.

- 21. Resolution 16-33, NCPA 2016-2021 Strategic Plan** – adopt resolution by all members approving the NCPA 2016-2021 Strategic Plan.

**Fiscal Impact:** there is no fiscal impact from the Strategic Plan, however certain goals and initiatives associated with attaining the Strategic Plan may have an impact. The fiscal impacts for the goals that are not included in the FY 2016/17 NCPA budget will be explained and approval will be obtained before they are undertaken.

**INFORMATION ITEMS (11:00 – 11:10 am)**

**22. *Hydrology Report*** – update and presentation.

**CLOSED SESSION (11:10 – 11:30 am)**

**23. *CONFERENCE WITH LEGAL COUNSEL*** – ANTICIPATED LITIGATION Initiation pursuant to paragraph (4) of subdivision (d) Government Code Section 54956.9: One (1) case.

**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**



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# Minutes – DRAFT

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**To:** NCPA Commission  
**From:** Cary A. Padgett, Assistant Secretary to the Commission  
**Subject:** March 31, 2016, NCPA Commission Meeting

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## ***Item #1 – Call Meeting to Order and Introductions***

Chairperson Carol Garcia called the meeting to order at 9:34 am at NCPA's Roseville Office, 651 Commerce Drive, Roseville, California. A quorum was present. Introductions were made. Those in attendance are shown on the attached attendance list.

## ***Item #2 – Approve Minutes of the February 25, 2016, Regular Commission Meeting, and the March 4 2016, Special Commission Meeting***

Motion: A motion was made by Gary Plass and seconded by Madeline Deaton to approve the Minutes of the February 25, 2016, Regular Commission Meeting, and the March 4, 2016, Special Commission Meeting. The motion carried unanimously on a voice vote of those members present.

## **PUBLIC FORUM**

Chairperson Garcia asked if any members of the public were present who would like to address the Commission on the agenda items. No members of the public were present.

Member of Month was Brent ten Pas NCPA's Federal Government Relations Representative.

## **REPORTS AND COMMITTEE UPDATES**

### ***Item #3 – General Manager's Business Progress Report and Update***

- Reported on the outcome of the Utility Director's Retreat that was held March 17-18 in Healdsburg. The Utility Director's discussed and reviewed the draft 2016-2021 NCPA Strategic Plan, and were asked for feedback by the end of the month. The Utility Directors heard from Bill Carnahan, SCPPA, regarding ways NCPA and SCPPA can work together on committees and working groups. Staff will continue discussions and coordination with SCPPA on these activities.
- CVPIA update and status report: Continuing discussions with Western and the Bureau on CVP Restoration Funds, as well as the project managers are working on a proposal. No settlement at this time.
-

- Continuing discussions on EIM and activities associated with the nomination for the EIM Board. Interviews for the Board are scheduled for mid-April.
- Gave an update on potential new members and services. The City of Shasta Lake City Council recently voted to submit a membership application to NCPA. Have had several entities express an interest in joining NCPA, which staff has been in contact with as well.

#### ***Item #4 – Executive Committee***

Committee Chair Carol Garcia reported that the Committee met that morning. The Committee heard a report from the General Manager, discussed the NCPA salary survey and briefly discussed NCPA's Draft 2016-2021 Strategic Plan. No reportable action was taken at the meeting.

#### ***Item #5 – Facilities Committee***

Assistant General Manager Dave Dockham reported the Committee met twice since the last Commission meeting. The Committee met at its regular scheduled meeting and discussed Items 14 and 15 on today's Agenda. The Committee also met under a Special Meeting Notice on March 16<sup>th</sup> to review and approve the Power Management and A&G FY2017 Budget, which is Item 17 on today's Agenda. A quorum of the Committee was present for both meetings. The Committee recommended Commission approval of all items.

Staff provided an update on the City of Shasta Lake preliminary cost allocation numbers for their potential membership. Shasta Lake is only interested in the Legislative & Regulatory services for now, but plan to work with the City of Redding and NCPA in the future for power management services.

#### ***Item #6 – Finance Committee***

Committee Chair Gary Plass reported the Committee met under a Special Meeting Notice on March 11, 2016. The Committee continued discussions of a proposed plan to stabilize the funding of the Retiree Medical Plan over the next 10-15 years. The Committee recommended approval of the plan, which is Item 16 on today's Agenda. In addition, the Committee recommended a one-year extension of contracts with Moss Adams, NCPA financial auditor, and PFM for financial advisory services. Both services will be subject to an RFP process next year. Held a closed session discussion regarding anticipated litigation – no reportable action was taken on that item. The next Committee meeting is scheduled for May 11, 2016.

#### ***Item #7 – Legal Committee***

General Counsel Michael Dean reported the Legal Committee did not meet.

#### ***Item #8 – Legislative & Regulatory Affairs Committee***

Committee Chair Bob Lingl reported the Committee did not meet since the last Commission meeting, but reported that members have been actively involved in lobbying the state legislature on the NEM legislation backed by the solar industry, AB 2339. Debbie Lloyd, on behalf of the City of Palo Alto, testified last week before the legislature on this problematic legislation, and did a terrific job outlining the importance of local control. Thanked those members that participated in last week's legislative visits.

Earlier in the month, a small delegation of NCPA members represented the Agency during the APPA Legislative Rally in Washington, D.C. NCPA staff was successful in passing policy resolutions for APPA on priority issues including, workforce development, wildfire management, CVPIA, and hydroelectric licensing reform. Members met with their delegation and committee staff on issues prior to the upcoming Federal Policy Conference.

The NCPA/NWPPA Federal Policy Conference in Washington, D.C., will be held on April 24-27, 2016 – copies of the program were provided. A legislative briefing will be held for this conference later next month.

The next L&R Committee meeting is on May 25, 2016, in Roseville.

### ***Item #9 – Members’ Announcements & Meeting Reporting***

Ron Stassi, City of Lompoc, introduced the new Electric Utility Division Manager Tikan Singh, filling the vacant position of Marty Hostler. Mr. Singh worked at the California Department of Water and Resources prior to accepting the position at Lompoc. Mr. Singh holds a BS and MS from Sacramento State University in Engineering.

### **CONSENT CALENDAR**

Prior to the roll call vote to approve the Consent Calendar, the Commissioners were polled to determine if any member wished to pull an item or abstain from one or more items on the Consent Calendar. No items were pulled for discussion.

Motion: A motion was made by Gary Plass and seconded by Bob Lingl to approve the Consent Calendar consisting of Items 10, 11, 12, 13, 14, and 15. The motion carried by a majority of those members present on a roll call vote with the abstentions noted below for each item.

*BART, Gridley, Palo Alto, Truckee Donner, and Plumas-Sierra were absent.*

***Item #10 – NCPA’s Financials for the Month Ended February 29, 2016*** – approval by all members.

***Item #11 – Treasurer’s Report for the Month Ended February 29, 2016*** – accept by all members.

***Item #12 – Sale or Disposal of Surplus Property*** – note and file report by all members the disposal of a 1992 Snowcat and Scrap metal. **Fiscal Impact**: none.

***Item #13 – Resolution 16-22, Approving a Consulting Services Agreement with Law Offices of Susie Berlin*** – approve resolution by all members authorizing the General Manager or his designee to enter into a Consulting Services Agreement with Law Offices of Susie Berlin. Fiscal Impact: total cost of the agreement is not-to-exceed \$300,000 annual for a term of three years. Funding of this agreement is provided for in the current Legislative and Regulatory Affairs program budget, and was approved as part of the proposed FY 2017 program budget during the NCPA Legislative and Regulatory Affairs Committee’s Budget Workshop.

***Item #14 – Resolution 16-24, Approving a Multi-Task General Services Agreement with Maxim Crane Works, LP Applicable to the following projects: All NCPA Facility Locations, Members, SCPPA, and SCPPA Members*** – approve resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Maxim Crane Works, LP, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 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 \$500,000 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.  
*Redding abstained.*

**Item #15 – Resolution 16-25, Approving a Multi-Task Professional Services Agreement with Utility System Efficiencies, Inc., for Consulting Services Related to WECC/NERC Reliability Criteria; Applicable to the following projects: All NCPA Facility Locations, Members, SCPPA, and SCPPA Member** – approve resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Utility System Efficiencies, Inc., with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$300,000 over five years, for consulting services related to WECC/NERC reliability criteria 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 \$300,000 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.  
*Redding abstained.*

## **DISCUSSION / ACTION ITEMS**

**Item #16 – Resolution 16-23, Approving a Long-Term Funding Plan for the NCPA Retiree Medical Plan (Post-Employment Benefits Other than Pensions)** – approve resolution by all members establishing a long-term funding plan for the NCPA Retiree Medical Plan.

**Fiscal Impact:** would increase annual required contributions to the NCPA Retiree Medical Plan by \$395,000. Cost allocation of this amount is based on labor costs for each NCPA program and project. Labor costs are allocated based on project or program participation percentages and allocation methods per the budget.

Assistant General Manager and CFO Donna Stevener provided a presentation on the Retiree Medical Actuarial Long-term Funding Plan. This issue being changes in the actuarial assumptions and market losses to assets have increased the unfunded liability by substantial amounts. The presentation explained changes from FY 2013 Valuation Report, quantifying the issue, as well as reasons to stabilize the plan.

Staff explained the proposed Options: Option 1) establish plan to reduce retiree medical liability (consider using budget savings from FY16 to fund FY17 additional contribution of \$395K after report out on negotiations with labor in January 2017; shorten amortization of unfunded liability from 28 years to 15 years beginning FY18; and conduct new Actuarial Valuation in FY18; or Option 2) same as Option 1, but remove additional contribution savings, and change amortization to begin in FY17, rather than FY18. The Finance Committee met and recommended approval of Option 1.

**Motion 1:** A motion was made by Gary Plass and seconded by Bob Lingl to adopt the Long-term Funding Plan for the NCPA Retiree Medical Plan Option 1 as recommended by the NCPA Finance Committee. Roger Frith asked that the motion on the table be withdrawn and further discussion take place on Option 2 prior to a roll call vote. The motion was withdrawn by Gary Plass.

The Commission discussed Option 2 and agreed to move forward in FY17.

**Motion 2:** A motion was made by Gary Plass and seconded by Teresa O'Neill to adopt the Long-term Funding Plan for the NCPA Retiree Medical Plan Option 2. The motion carried by a unanimous roll call vote on those members present.

*BART, Gridley, Palo Alto, Truckee Donner, and Plumas-Sierra were absent.*

## **INFORMATION ITEMS**

**Item #17 – Proposed Annual Budget for Fiscal Year 2017** – status report, budget preview and slide presentation for this year's budget preparation.

Assistant General Manager and CFO Donna Stevener gave a presentation outlining the budget process and timeline, what the proposed budget includes, major drivers of budget changes, baseline budget analysis, A&G cost comparison, salaries and benefits, proposed staffing changes, salary and benefit changes, and what's not included or will change before the April discussion. Estimated rollout of the Budget is the beginning of April. The Legislative & Regulatory Affairs Committee and the Facilities Committee have both recommended approval of their proposed budgets. The proposed budget is still under review by the Lodi Energy Center Participants Committee, and a recommendation of approval is expected in early April. Approval of the budget will be brought to the Commission in April.

**Item #18 – Hydrology Report** – Assistant General Manager Ken Speer provided a presentation and an update on the snow pack and storage capacity at New Spicer Reservoir and noted that most of the snow will be gone by the end of April. Also mentioned that Shasta Lake is well above normal and has been releasing water to control flooding.

## **CLOSED SESSION**

**Item #19 – 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.

## **REPORT FROM CLOSED SESSION**

Upon return to open session, General Counsel Michael Dean reported there was no reportable action on Closed Session Item 19.

## **NEW BUSINESS**

No new business was discussed.

## **ADJOURNMENT**

The March 31, 2016, Commission meeting was adjourned at 11:10 am.

Respectfully submitted,

CARY A. PADGETT  
Assistant Secretary to the Commission

Attachments

Northern California Power Agency  
 Commission Meeting of March 31, 2016  
**COMMISSIONER**  
 Attendance List

NCPA Commissioners are requested to sign, but signature by members of the public is voluntary.

MEMBER	NAME
ALAMEDA	<i>Thudlow Deaton</i>
BIGGS	<i>Ryan J. [Signature]</i>
GRIDLEY	
HEALDSBURG	<del><i>[Signature]</i></del>
LODI	<i>Mark Chandler</i>
LOMPOC	<i>Juan [Signature] [Signature]</i>
PALO ALTO	
PORT OF OAKLAND	<i>[Signature]</i>
PLUMAS-SIERRA REC	
REDDING	<i>Barrington [Signature]</i>
ROSEVILLE	<i>Carl Garcia</i>
SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT	
SANTA CLARA	<i>Teresa O'Neill</i>
TRUCKEE DONNER	
UKIAH	<i>[Signature]</i>





## CONSENT CALENDAR

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.

### CONSENT CALENDAR ROLL-CALL APPROVAL

Commission Meeting Date: 3/31/14


Consent Items Listed on the Agenda: # 10 to # 15

Consent Items Removed from the Agenda and Approved Separately:

# 0

ROLL-CALL VOTE BY MEMBERS: Hea / Lompoc

Member	Item Numbers Abstained	Vote	Absent
Alameda		Y	
BART			X
Biggs		Y	
Gridley			X
Healdsburg		Y	
Lodi		Y	
Lompoc		Y	
Palo Alto			X
Port of Oakland		Y	
Redding	<u>14 15</u>	Y	
Roseville		Y	
Santa Clara		Y	
Truckee Donner			X
Ukiah		Y	
Plumas-Sierra			X


ATTEST:   
 Cary A. Padgett  
 Assistant Secretary to the Commission

**Northern California Power Agency  
ROLL CALL VOTE**

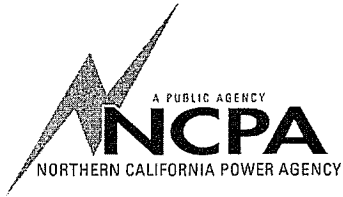
**Topic:** Item #160

	<u>VOTE</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Alameda	Y		
BART			X
Biggs	Y		
Gridley			X
Healdsburg	Y		
Lodi	Y		
Lompoc	Y		
Palo Alto			X
Plumas-Sierra			X
Port of Oakland	Y		
Redding	Y		
Roseville	Y		
Santa Clara	Y		
Truckee Donner			X
Ukiah	Y		

Passed and adopted this 31<sup>st</sup> day of March 2016, by the above vote on roll call.

  
 CAROL GARCIA  
 Chairperson

ATTEST:   
 CARY A. PADGETT  
 Assistant Secretary



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# Commission Staff Report

AGENDA ITEM NO.: 5

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**Date:** April 21, 2016  
**To:** NCPA Commission  
**Subject:** March 30, 2016 Facilities Committee Meeting Minutes

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The attached Draft Minutes are being provided for information and to augment the oral Committee report.



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# Minutes

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**To:** NCPA Facilities Committee  
**From:** Trisha Hubbard  
**Subject:** March 30, 2016, Facilities Committee Meeting Minutes

- 1. Call meeting to order & Roll Call** - The meeting was called to order by Committee Chair Alan Hanger at 9:06am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Chris Hutchinson (Palo Alto), Kathleen Hughes, Steve Hance, and Peter Virasak (Santa Clara), Basil Wong (Port of Oakland), Mike Brozo (Plumas-Sierra), and Mark Sorensen (Biggs) as a non-voting member. Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Gridley, Healdsburg, TID, and Ukiah were absent. A quorum of the Committee was established at 9:20am.

## **PUBLIC FORUM**

No public comment.

- 2. Approve minutes from the March 2<sup>nd</sup> and March 16<sup>th</sup> Facilities Committee meetings.** A motion was made by Shannon McCann and seconded by Melissa Cadek recommending approval of the March 2<sup>nd</sup> and March 16<sup>th</sup> Facilities Committee meeting minutes. A vote was taken by roll call:  
March 2<sup>nd</sup> Meeting Minutes: YES = Alameda, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville and Santa Clara. ABSTAIN = Lompoc.  
March 16<sup>th</sup> Meeting Minutes: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. The motion passed
- 3. All Generation Services Facilities, Members, SCPPA & SCPPA Members – Baskin Engineering, Inc. First Amendment.** - Staff provided information regarding the recommendation to approve the first amendment to the existing five year Multi-Task Consulting Services Agreement with Baskin Engineering, Inc. for consulting services for protection relay upgrades and electrical engineering support increasing the not-to-exceed amount from \$225,000 to \$750,000 and revising various provisions to expand the scope of work to include all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. The term of this agreement will not change, which is set to expire in 2019

Motion: A motion was made by Melissa Cadek and seconded by Ron Stassi recommending Commission approval of a first amendment to the existing five year Multi-Task Consulting Services Agreement with Baskin Engineering Inc. for protection relay upgrades and electrical engineering support, increasing the not-to-exceed amount from \$225,000 to \$750,000 and revising various provisions to expand the scope of work to include all facilities owned and/or operated by NCPA, its members, SCPPA or by SCPPA members. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville and Santa Clara. ABSTAIN = Port of Oakland. The motion passed.



4. **All Generation Services Facilities, Members, SCPPA & SCPPA Members – Groome Industrial Service Group, Inc.** – Staff provided information regarding the recommendation to approve a five year Multi-Task General Services Agreement with Groome Industrial Service Group, Inc. for an amount not to exceed \$850,000 for inspection and maintenance services for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members.

Motion: A motion was made by Shannon McCann and seconded by Steve Hance recommending Commission approval of a multi-task general services agreement with Groome Industrial Service Group, Inc. for inspection and maintenance services for a not-to-exceed amount of \$850,000 over five years for use at all facilities owned and/or operated by NCPA, its members, SCPPA or by SCPPA members. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville and Santa Clara. ABSTAIN = Port of Oakland. The motion passed.

5. **All Generation Services Facilities, Members, SCPPA & SCPPA Members – Nor-Cal Controls ES, Inc.** – Staff provided information regarding the recommendation to approve a five year Multi-Task Professional Services Agreement with Nor-Cal Controls ES, Inc. for an amount not to exceed \$350,000 for engineering and technical support services on various plant control systems for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members.

Motion: A motion was made by Melissa Cadek and seconded by Shannon McCann recommending Commission approval of the Multi-task Professional Services Agreement with Nor-Cal Controls ES, Inc. which shall not exceed \$350,000 for engineering and technical support services for use at all facilities owned and/or operated by NCPA, its members, SCPPA, and SCPPA members. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Port of Oakland. The motion passed.

6. **All Generation Services Facilities, Members, SCPPA & SCPPA Members – Syblon Reid, Inc.** – Staff provided information regarding the recommendation to approve a five-year Multi-Task General Services Agreement with Syblon Reid, Inc. for an amount not to exceed \$5,000,000 for routine maintenance on structures and systems including earthwork grading and drainage, asphalt placement and patch paving, minor road/drainage maintenance, utility easement maintenance, dam and embankment maintenance, concrete patching and maintenance, and tunnel maintenance for use at all facilities owned and/or operated by NCPA, its Members, SCPPA and SCPPA members.

Motion: a motion was made by Ron Stassi and seconded by Shannon McCann recommending approval of this multi-task general services agreement with Syblon Reid which shall not exceed \$5,000,000 over five years for routine maintenance on structures and systems for use at all facilities owned and/or operated by NCPA, its members, SCPPA and SCPPA members. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Port of Oakland. The motion passed.

7. **All Generation Services Facilities, Members, SCPPA & SCPPA Members – Schweitzer Engineering Laboratories, Inc.** - Staff provided information regarding the recommendation for Commission approval of a five year Multi-Task Professional Services Agreement with Schweitzer Engineering Laboratories, Inc. for an amount not to exceed \$1,000,000 for protective relay and automation design, installation, testing and commissioning services for use at all facilities owned and/or operated by NCPA, is Members, SCPPA, and SCPPA Members.

Motion: A motion was made by Basil Wong and seconded by Steve Hance recommending Commission approval of a multi-task professional services agreement with Schweitzer Engineering for an amount which shall not exceed \$1,000,000 over five years for protective relay and automation design services for use at all facilities owned and/or operated by NCPA, its members, SCPPA, and SCPPA members. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. The motion passed.

8. **Shasta Lake Power Management** – The City of Shasta Lake has expressed interest in becoming a member of NCPA. Their plans are to join the Legislative and Regulatory Program and requested an estimate for the cost of also participating in Power Management and Administrative Services. Staff developed an estimate of the cost to provide Power Management and Administrative Services based on the Nexant Model and presented those results. Staff has provided this information to Shasta Lake for their consideration and decision making purposes.
9. **Planning and Operations Update** – The Hydro Project flushing flows are going forward as planned. As of today, 54 acre-feet have been released with 6 acre-feet to go which staff believes could quite possibly be accomplished with natural flows.

Service Offers Update:

City of Shasta Lake - As mentioned earlier, a cost estimate has been submitted to the City of Shasta Lake.

PCWA Services Agreement - PCWA Services Agreement will be discussed in detail in agenda item 11.

City of Roseville - There has been no word yet on the results of the proposal submitted

Marin Clean Energy - There has been no word yet on the results of the proposal submitted

Placer County CCA - Recently the Agency was contacted by Placer County officials expressing an interest in possibly forming a Community Choice Aggregation (CCA). NCPA is not equipped to help them form this CCA, however, we could possibly provide Power Management Services sometime in the future. A meeting has been set up with Placer County staff to discuss their options. This is completely independent from the Placer County Water Agency deal.

10. **Hydro Operating Procedures** – This item was pulled from the Agenda. No discussion.
11. **PCWA Services Agreement** – Staff is currently negotiating an agreement with Placer County Water Agency (PCWA) under which NCPA may supply services. PCWA would like to seek approval of this agreement with their governing board. Staff presented the draft agreement and discussed its key concepts and detailed the services to be provided to PCWA. The term of this Agreement would be three years with an automatic two year extension unless the Agreement is terminated by either Party. Termination will require a one year notice. Compensation amounts were presented and discussed. NCPA staff will continue to negotiate a final draft agreement with PCWA. When a final draft is developed, the agreement will be brought back to the Facilities Committee for review and to seek a recommendation of Commission approval. Staff would like to have the agreement ready for Commission approval in May.
12. **Lodi Single Member Services Agreement** - Staff provided information regarding the recommendation for Commission approval of the Lodi Single Member Services Agreement (SMSA) Advisory Services Attachment A, under which NCPA may act on their behalf as its Agent regarding management of the RE Astoria 2 PPA and Buyers Joint Project Agreement. Staff discussed in detail the regular activities to be performed acting as Lodi's agent. All costs associated with the work to be performed on Lodi's behalf will be invoiced on a time and materials basis.

Motion: A motion was made by Shannon McCann and seconded by Ron Stassi recommending Commission approval of the Lodi SMSA Advisory Services Attachment A allowing NCPA to act on behalf of the City of Lodi regarding management of the RE Astoria 2 PPA and Buyers Joint Project Agreement. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. The motion passed.

**13. Transmission Access Charge Policy Discussion** – Staff provided background and information regarding SB350 – Article 5.5 Transformation of ISO. The CAISO has distributed a Regional Integration Timeline. The focus during today’s meeting is on the CAISO Transmission Access Charge (TAC) stakeholder initiative. Policy direction is needed to shape and respond to 2016 Q4 filings (via NCPA or other entities). Staff recognized the difficulty in reaching an Agency wide position consensus. Staff pointed out that the main driver of this issue is that Pacificorp is evaluating full participation in an expanded CAISO, necessitating that the CAISO develop a method for allocating TAC and Transmission Planning across a broader regional footprint.

CAISO’s draft proposal separates existing facilities and new facilities. Existing facilities will be a sub-region and will have a sub-regional rate. Only facilities eligible for regional cost allocation will be “new regional facilities”.

Staff’s concerns with the CAISO proposal include:

- CAISO will have limited need for “new facilities”
- Some part of “existing facilities” will clearly benefit others in an expanded regional footprint
- California has significant exposure to regionalized “new facility” cost risk above and beyond known projects.
- New sub-regions will likely face similar outcomes and will try to spread cost regionally.
- The number of “new projects” within the WECC interconnect
- Does not go far enough to provide cost certainty for transactions across 38 BAAs
- Potential for innumerable special deals with each sub-region that ultimately decides to become a PTO.
- Fails to account for extensive transmission planning efforts that have taken place, BAA choices in deciding to join a particular Order 1000 Planning Region

NCPA is participating in calls amongst the municipal entities. These entities are not all aligned in their positions. There are differences of opinion on license plate vs. postage stamp rate approach. Positions have been developed without the benefit of detailed analytics to support positions.

NCPA’s current proposal:

- Existing Facilities be charged based on license plate with no allocation between sub-regions
- New Facilities be charged based on license plate, except for Public Policy Projects, with no allocation between sub-regions. Sub-regions should be defined as current Order 1000 regions.

Staff discussed and explained the rationale for NCPA’s proposal.

BAMx current proposal:

- Existing Facilities be charged based on postage stamp with transition
- New Facilities be benefit based with some spreading of costs to new sub-regions
- Public Policy Facilities, new and existing, to be paid by beneficiary.

Staff also presented and discussed CMUA's current proposal:

- Generally license plate with some spreading of existing costs to new sub-regions.
- In regards to New Facilities they are willing to consider several concepts as part of an augmented stake holder process
- Public Policy Facilities, supports the concepts embodied in BAMx proposal in that new and existing should be paid by beneficiary.

CMUA is working on analytics to support more informed decision making. The Facilities Committee was asked what specific studies are needed or desired; if there is enough information available to begin staking out an Agency position, if so, what should that position be; and what their preferences are in regards to NCPA vs BAMx vs CMUA approaches.

Roseville – need to discuss in-house prior to commenting on their position.

Lodi – need to begin discussions and coordinating with their transmission consulting firm

Lompoc- not yet involved enough to comment.

Truckee – agrees with NCPA's current proposal

Santa Clara – need to discuss in-house with staff that has been more involved with this issue.

Port of Oakland – defers to their management staff to comment

Plumas-Sierra – views the license plate rates more favorably, however, need to become more knowledgeable on this issue.

Alameda – requested a glossary of terms.

## **CLOSED SESSION**

**14. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION** - Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9: two cases

### **REPORT FROM CLOSED SESSION**

Upon return to open session, Assistant General Counsel Ruthann Ziegler reported there was no reportable action on Closed Session Item 14.

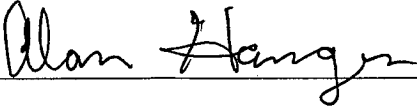
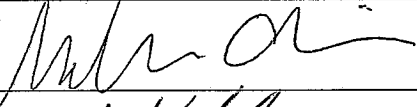
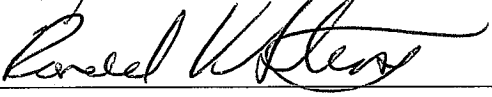
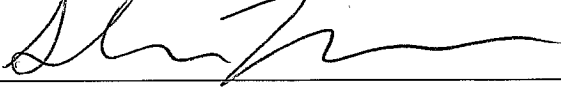
**15. Schedule next meeting date** – the next regular Facilities Committee meeting is scheduled for May 4<sup>th</sup>.

## **ADJOURNMENT**

The meeting was adjourned at 12:50 pm.

Northern California Power Agency  
 Facilities Committee Meeting of March 30, 2016  
 Facilities Committee  
 Attendance List

NCPA Facilities Committee members are requested to sign, but signature by members of the public is voluntary.

MEMBER	NAME
ALAMEDA	
BART	
BIGGS	
GRIDLEY	
HEALDSBURG	
LODI	
LOMPOC	
PALO ALTO	
PLUMAS-SIERRA REC	
PORT OF OAKLAND	
ROSEVILLE	
SANTA CLARA	
TID	
UKIAH	





# Commission Staff Report

**DATE:** April 13, 2016

**COMMISSION MEETING DATE:** April 21, 2016

**SUBJECT:** March 2016 Financial Report (Unaudited)

**AGENDA CATEGORY:** Consent

<b>FROM:</b> Sondra Ainsworth Treasurer-Controller	<b>METHOD OF SELECTION:</b>
Division: Administrative Services	N/A

**IMPACTED MEMBERS:**

All Members	<input checked="" type="checkbox"/>	City of Lodi	<input type="checkbox"/>	City of Ukiah	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>	Plumas-Sierra REC	<input type="checkbox"/>
Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input type="checkbox"/>	Other	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>		<input type="checkbox"/>

*If other, please specify.*

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*Place an X in the box next to the applicable Member(s) above.*

**RECOMMENDATION:**

Approval by all members.

**NOTICE:**

The disbursements of the Northern California Power Agency for the month reported herein, will be approved at the April 21, 2016 meeting of the NCPA Commission. The following page is a summary of those disbursements.

Prior to the Chairman's call to order, the Assistant Secretary to the Commission will upon request make available for review the detailed listing of those disbursements.

The report of budget vs. actual costs and the unaudited March 2016 financial reports are also included.

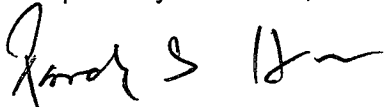
**FISCAL IMPACT:**

This report has no direct budget impact to the Agency.

**ENVIRONMENTAL ANALYSIS:**

The Financial report will not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

SA/dec  
Attachments



**NORTHERN CALIFORNIA POWER AGENCY  
and ASSOCIATED POWER CORPORATIONS**

**Schedule of Disbursements  
(Unaudited)**

**For the Month of March 2016**

**Operations:**

<b>Geothermal</b>	<b>\$ 1,787,934</b>
<b>Hydroelectric</b>	<b>3,218,114</b>
<b>CT#1 Combustion Turbines</b>	<b>94,421</b>
<b>CT#2 STIG</b>	<b>534,799</b>
<b>Lodi Energy Center</b>	<b>7,596,294</b>
<b>NCPA Operating</b>	<b>19,836,411</b>
<b>Total</b>	<b><u>\$ 33,067,973</u></b>

NORTHERN CALIFORNIA POWER AGENCY  
 REPORT OF BUDGET VS. ACTUAL COST  
 FOR THE PERIOD ENDED MARCH 2016

PERCENT OF YEAR ELAPSED 75%
-----------------------------------

	This Month	Actual Year To-Date	FY 2016 Budget	% Used	
<b><u>GENERATION RESOURCES</u></b>					
<b>NCPA Plants</b>					
Hydroelectric					
Other Plant Cost	\$ 963,099	\$ 8,998,081	\$ 13,204,025	68%	
Debt Service (Net)	3,161,221	28,450,990	37,934,653	75%	
Annual Budget Cost	4,124,320	37,449,071	51,138,678	73%	
Geothermal					
Other Plant Cost	2,539,896	19,354,943	27,368,698	71%	
Debt Service (Net)	425,744	3,831,697	5,108,929	75%	
Annual Budget Cost	2,965,640	23,186,640	32,477,627	71%	
Combustion Turbine No. 1	189,067	1,899,674	2,877,315	66%	
Combustion Turbine No. 2 (Stig)					
Fuel and Pipeline Transport Charges	58,219	582,897	953,150	61%	
Other Plant Cost	164,645	1,426,427	1,798,534	79%	(e)
Debt Service (Net)	473,293	4,259,636	5,679,515	75%	
Annual Budget Cost	696,157	6,268,960	8,431,199	74%	
Lodi Energy Center					
Fuel	1,551,462	20,966,781	49,851,536	42%	
Other Plant Cost	1,947,599	17,781,843	19,739,576	90%	(c)
Debt Service (Net)	2,203,974	19,835,764	26,440,994	75%	
Annual Budget Cost	5,703,035	58,584,388	96,032,106	61%	
Member Resources - Energy	3,211,947	29,475,476	39,011,876	76%	
Member Resources - Natural Gas	478,828	4,810,906	5,748,516	84%	(b)
Western Resources	1,116,472	16,552,621	29,537,384	56%	
Market Power Purchases	3,229,809	26,251,022	42,915,828	61%	
Load Aggregation Costs - ISO	9,015,450	141,702,912	238,603,172	59%	
Net GHG Obligations	-	3,103,080	3,029,825	102%	(a)
	<b>30,730,725</b>	<b>349,284,750</b>	<b>549,803,526</b>	<b>64%</b>	
<b><u>TRANSMISSION</u></b>					
Independent System Operator					
Grid Management Charge	54,633	2,103,302	3,393,692	62%	
Wheeling Access Charge	8,614,635	56,745,724	70,278,323	81%	(f)
Ancillary Services	101,784	1,121,190	1,419,670	79%	(d)
Other Charges	(410,600)	(1,725,271)	920,067	-188%	
	<b>8,360,452</b>	<b>58,244,945</b>	<b>76,011,752</b>	<b>77%</b>	

NORTHERN CALIFORNIA POWER AGENCY  
 REPORT OF BUDGET VS. ACTUAL COST  
 FOR THE PERIOD ENDED MARCH 2016

PERCENT OF YEAR ELAPSED 75%
-----------------------------------

	This Month	Actual Year To-Date	FY 2016 Budget	% Used
<b>MANAGEMENT SERVICES</b>				
<b>Legislative &amp; Regulatory</b>				
Legislative Representation	113,476	1,157,379	1,821,212	64%
Regulatory Representation	60,056	481,924	767,394	63%
Western Representation	47,468	378,889	792,956	48%
Member Support Services	34,067	266,890	459,903	58%
Judicial Action	19,619	364,545	625,000	58%
<b>Power Management</b>				
System Control & Load Dispatch	388,316	3,450,338	5,585,170	62%
Forecasting, Planning, Prescheduling & Trading	148,377	1,461,608	2,478,635	59%
Industry Restructuring & Regulatory Affairs	24,249	206,897	403,758	51%
Contract Admin, Interconnection Svcs & External Affairs	61,804	588,056	1,052,202	56%
Green Power Project	686	5,290	36,418	15%
Gas Purchase Program	4,103	38,206	69,182	55%
Market Purchase Project	7,214	60,827	114,093	53%
Energy Risk Management	815	88,943	204,512	43%
Settlements	35,221	376,895	667,611	56%
Integrated Systems Support	14,586	117,802	532,705	22%
Participant Pass Through Costs	113,955	986,826	1,444,264	68%
Shared Services Pass Through	19,950	36,404	-	N/A
	<b>1,093,962</b>	<b>10,067,719</b>	<b>17,055,015</b>	<b>59%</b>
<b>TOTAL ANNUAL BUDGET COST</b>	<b>40,185,139</b>	<b>417,597,414</b>	<b>642,870,293</b>	<b>65%</b>
<b>LESS: THIRD PARTY REVENUE</b>				
Plant ISO Energy Sales	7,431,988	66,509,522	118,904,279	56%
Load Aggregation Energy Sales	4,411,026	100,907,561	178,771,257	56%
Ancillary Services Sales	1,072,425	4,701,251	4,078,239	115%
Transmission Sales	9,198	82,782	110,376	75%
Western Credits, Interest and Other Income	1,212,904	10,665,780	16,003,668	67%
	<b>14,137,541</b>	<b>182,866,896</b>	<b>317,867,819</b>	<b>58%</b>
<b>NET ANNUAL BUDGET COST TO PARTICIPANTS</b>	<b>\$ 26,047,598</b>	<b>\$ 234,730,518</b>	<b>\$ 325,002,474</b>	<b>72%</b>

(a) Purchases made several months in advance. Percent of budget used expected to level off throughout the year.

(b) Cost per MWh higher than budgeted.

(c) Variance due to unbudgeted CA ISO energy purchases.

(d) Variance due to greater than anticipated ISO A/S charges. See NCPA Annual budget, FY 2016, Section E for the underlying budget assumptions.

(e) Variance due to higher than budgeted CA ISO Charges.

(f) Variance due to greater than anticipated ISO wheeling access charges. See NCPA Annual budget, FY 2016, Section E for the underlying budget assumptions.

COMBINED STATEMENTS OF NET POSITION

NORTHERN CALIFORNIA POWER AGENCY  
AND ASSOCIATED POWER CORPORATIONS

UNAUDITED

	March 31,	
	2016	2015
(in thousands)		
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 37,745	\$ 37,667
Investments	29,541	34,263
Accounts receivable		
Participants	-	-
Other	1,422	1,427
Interest receivable	217	82
Inventory and supplies - at average cost	8,651	8,000
Prepaid expenses	1,423	193
TOTAL CURRENT ASSETS	<u>78,999</u>	<u>81,632</u>
RESTRICTED ASSETS		
Cash and cash equivalents	48,211	75,948
Investments	163,255	127,270
Interest receivable	415	256
TOTAL RESTRICTED ASSETS	<u>211,881</u>	<u>203,474</u>
ELECTRIC PLANT		
Electric plant in service	1,501,003	1,499,317
Less: accumulated depreciation	(904,343)	(873,812)
	<u>596,660</u>	<u>625,505</u>
Construction work-in-progress	100	466
TOTAL ELECTRIC PLANT	<u>596,760</u>	<u>625,971</u>
OTHER ASSETS		
Regulatory assets	251,445	198,300
TOTAL ASSETS	<u>1,139,085</u>	<u>1,109,377</u>
DEFERRED OUTFLOWS OF RESOURCES		
Excess cost on refunding of debt	56,290	63,982
Pension contribution	5,310	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>61,600</u>	<u>63,982</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,200,685</u>	<u>\$ 1,173,359</u>

COMBINED STATEMENTS OF NET POSITION

NORTHERN CALIFORNIA POWER AGENCY  
AND ASSOCIATED POWER CORPORATIONS

UNAUDITED

	March 31,	
	2016	2015
LIABILITIES	(in thousands)	
CURRENT LIABILITIES		
Accounts payable	\$ 21,876	\$ 21,089
Member advances	993	993
Operating reserves	18,870	20,266
Current portion of long-term debt	36,730	35,160
Accrued interest payable	11,094	11,467
TOTAL CURRENT LIABILITIES	89,563	88,975
NON-CURRENT LIABILITIES		
Net pension liability	57,260	-
Operating reserves and other deposits	133,437	120,831
Interest rate swap liability	22,373	21,386
Long-term debt, net	787,658	827,194
TOTAL NON-CURRENT LIABILITIES	1,000,728	969,411
TOTAL LIABILITIES	1,090,291	1,058,386
DEFERRED INFLOWS OF RESOURCES		
Regulatory credits	74,343	78,580
Pension earnings	4,947	-
TOTAL DEFERRED INFLOWS OF RESOURCES	79,290	78,580
NET POSITION		
Net investment in capital assets	(62,828)	(62,029)
Restricted	68,295	69,181
Unrestricted	25,637	29,241
TOTAL NET POSITION	31,104	36,393
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 1,200,685	\$ 1,173,359

COMBINED STATEMENTS OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION

NORTHERN CALIFORNIA POWER AGENCY  
AND ASSOCIATED POWER CORPORATIONS

UNAUDITED

	Nine Months Ended March 31,	
	2016	2015
	(in thousands)	
SALES FOR RESALE		
Participants	\$ 249,091	\$ 213,335
Other Third-Party	105,991	105,524
TOTAL SALES FOR RESALE	<u>355,082</u>	<u>318,859</u>
OPERATING EXPENSES		
Purchased power	148,575	110,166
Operations	53,698	67,749
Transmission	60,045	46,633
Depreciation	23,012	23,540
Maintenance expenses	16,436	13,771
Administrative and general	14,563	16,481
TOTAL OPERATING EXPENSES	<u>316,329</u>	<u>278,340</u>
NET OPERATING REVENUES	<u>38,753</u>	<u>40,519</u>
OTHER (EXPENSES) REVENUES		
Interest expense	(38,411)	(39,320)
Interest income	1,670	1,068
Other	4,713	3,912
TOTAL OTHER EXPENSES	<u>(32,028)</u>	<u>(34,340)</u>
FUTURE RECOVERABLE AMOUNTS	1,785	3,381
REFUNDS TO PARTICIPANTS	<u>(7,396)</u>	<u>(5,400)</u>
INCREASE (DECREASE) IN NET POSITION	1,114	4,160
NET POSITION, Beginning of year	<u>29,990</u>	<u>32,233</u>
NET POSITION, Period ended	<u>\$ 31,104</u>	<u>\$ 36,393</u>

**OTHER FINANCIAL INFORMATION**  
**COMBINING STATEMENT OF NET POSITION**  
**NORTHERN CALIFORNIA POWER AGENCY**  
**AND ASSOCIATED POWER CORPORATIONS**  
(000's omitted)

March 31, 2016

	GENERATING & TRANSMISSION RESOURCES											Combined
	Geothermal	Hydroelectric	Multiple Capital Facilities		CT No. One	Lodi Energy Center	Transmission No. One	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined	
			I \$	I \$								
<b>CURRENT ASSETS</b>												
Cash and cash equivalents	17,897	12,856	2,498	603	16,318	71	-	-	189	37,482	29,541	37,745
Investments	-	-	-	-	-	-	-	-	-	-	-	29,541
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-	-
Participants	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-
Interest receivable	3,902	1,079	642	1,402	1,626	8	-	1,411	-	10	108	1,422
Inventory and supplies - at average cost	-	14	-	-	66	-	-	101	-	-	-	217
Prepaid expenses	13,993	11,763	1,855	(800)	14,547	66	-	-	-	-	-	8,651
Due from Agency and other programs*	17,897	12,856	2,498	603	16,318	71	-	-	189	37,482	29,541	37,745
<b>TOTAL CURRENT ASSETS</b>												
	3,664	5,205	56	-	12,804	-	-	2,213	-	24,269	-	48,211
Investments	19,976	44,062	4,367	-	24,182	-	-	18,643	-	52,025	-	163,255
Interest receivable	41	86	7	-	31	-	-	-	-	250	-	415
<b>TOTAL RESTRICTED ASSETS</b>												
	23,681	49,353	4,430	-	37,017	-	-	20,856	-	76,544	-	211,881
<b>ELECTRIC PLANT</b>												
Electric plant in service	569,116	393,929	64,826	36,245	423,413	7,736	-	-	508	5,230	-	1,501,003
Less: accumulated depreciation	(527,155)	(240,632)	(43,391)	(34,072)	(48,084)	(7,727)	-	-	(307)	(2,375)	-	(904,343)
	41,961	153,297	21,435	2,173	374,729	9	-	-	201	2,855	-	596,660
Construction work-in-progress	41,961	153,297	21,435	2,173	374,824	95	-	-	-	5	-	100
<b>TOTAL ELECTRIC PLANT</b>												
	2,191	160,437	13,462	-	18,466	(9)	-	-	-	56,898	-	251,445
<b>OTHER ASSETS</b>												
Regulatory assets	-	53,983	2,307	-	-	-	-	-	-	-	-	56,290
<b>DEFERRED OUTFLOWS OF RESOURCES</b>												
Excess cost on refunding of debt	-	-	-	-	-	-	-	-	-	-	-	5,310
Pension contribution	-	53,983	2,307	-	-	-	-	-	-	-	-	61,600
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>												
	85,750	429,926	44,132	2,776	446,625	-	-	38,845	5,805	146,846	-	1,200,685

\* Eliminated in Combination

**OTHER FINANCIAL INFORMATION**  
**COMBINING STATEMENT OF NET POSITION**  
**NORTHERN CALIFORNIA POWER AGENCY**  
**AND ASSOCIATED POWER CORPORATIONS**  
(000's omitted)

March 31, 2016

	GENERATING & TRANSMISSION RESOURCES									
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
<b>LIABILITIES</b>										
<b>CURRENT LIABILITIES</b>										
Accounts payable	\$ 330	\$ 261	\$ -	\$ -	\$ 1,558	\$ -	\$ 14,304	\$ -	\$ 5,423	\$ 21,876
Member advances	791	-	-	-	-	-	-	202	-	983
Operating reserves	7,227	250	514	250	10,629	-	-	-	-	18,870
Current portion of long-term debt	3,530	20,050	3,670	-	9,480	-	-	-	-	36,730
Accrued interest payable	381	4,737	333	-	5,643	-	-	-	-	11,094
<b>TOTAL CURRENT LIABILITIES</b>	<b>12,259</b>	<b>25,298</b>	<b>4,517</b>	<b>250</b>	<b>27,310</b>	<b>-</b>	<b>14,304</b>	<b>202</b>	<b>5,423</b>	<b>89,563</b>
<b>NON-CURRENT LIABILITIES</b>										
Net pension liability	-	-	-	-	-	-	-	-	-	57,260
Operating reserves and other deposits	15,203	14,307	-	-	5,491	-	20,956	1,372	76,108	133,437
Interest rate swap liability	-	22,373	-	-	-	-	-	-	-	22,373
Long-term debt, net	31,079	356,256	38,410	-	361,913	-	-	-	-	787,658
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>46,282</b>	<b>392,936</b>	<b>38,410</b>	<b>-</b>	<b>367,404</b>	<b>-</b>	<b>20,956</b>	<b>1,372</b>	<b>133,368</b>	<b>1,000,728</b>
<b>TOTAL LIABILITIES</b>	<b>58,541</b>	<b>418,234</b>	<b>42,927</b>	<b>250</b>	<b>394,714</b>	<b>-</b>	<b>35,260</b>	<b>1,574</b>	<b>138,791</b>	<b>1,090,291</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Regulatory credits	20,433	3,920	1,067	2,300	43,371	-	-	201	3,051	74,343
Pension earnings	-	-	-	-	-	-	-	-	4,947	4,947
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>20,433</b>	<b>3,920</b>	<b>1,067</b>	<b>2,300</b>	<b>43,371</b>	<b>-</b>	<b>-</b>	<b>201</b>	<b>7,998</b>	<b>79,290</b>
<b>NET POSITION</b>										
Net investment in capital assets	(6,116)	(29,361)	(5,924)	-	(21,427)	-	-	-	-	(62,828)
Restricted	7,225	40,629	4,097	-	14,594	-	-	1,314	436	68,295
Unrestricted	5,647	(3,496)	1,965	226	15,373	-	3,585	2,716	(379)	25,637
<b>TOTAL NET POSITION</b>	<b>6,756</b>	<b>7,772</b>	<b>138</b>	<b>226</b>	<b>8,540</b>	<b>-</b>	<b>3,585</b>	<b>4,030</b>	<b>57</b>	<b>31,104</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<b>\$ 85,730</b>	<b>\$ 429,926</b>	<b>\$ 44,132</b>	<b>\$ 2,776</b>	<b>\$ 446,625</b>	<b>\$ -</b>	<b>\$ 38,845</b>	<b>\$ 5,805</b>	<b>\$ 146,846</b>	<b>\$ 1,200,685</b>



OTHER FINANCIAL INFORMATION

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

NORTHERN CALIFORNIA POWER AGENCY  
AND ASSOCIATED POWER CORPORATIONS  
(000's omitted)

For the Nine Months Ended March 31, 2016

	GENERATING & TRANSMISSION RESOURCES										Other Agency	Combined	
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services					
<b>SALES FOR RESALE</b>													
Participants	\$ 4,269	\$ 30,805	\$ 5,519	\$ 1,998	\$ 23,427	\$ -	\$ 168,247	\$ 14,735	\$ -	\$ 91	\$ 249,091		
Other third-party	23,970	10,423	307	539	35,980	-	34,772	-	-	-	105,991		
<b>TOTAL SALES FOR RESALE</b>	<b>28,239</b>	<b>41,228</b>	<b>5,826</b>	<b>2,537</b>	<b>59,407</b>	<b>-</b>	<b>203,019</b>	<b>14,735</b>	<b>-</b>	<b>91</b>	<b>355,082</b>		
<b>OPERATING EXPENSES</b>													
Purchased power	-	-	-	-	4,401	-	144,174	-	-	-	148,575		
Operations	10,489	2,716	866	757	25,705	-	4,811	8,354	-	-	53,698		
Transmission	698	610	49	(38)	457	-	58,266	3	-	-	60,045		
Depreciation	2,942	7,066	1,660	134	10,950	12	-	30	218	-	23,012		
Maintenance expenses	6,241	3,176	688	741	5,563	-	-	27	-	-	16,436		
Administrative and general	3,447	2,243	438	521	3,525	-	-	4,619	-	(230)	14,563		
Intercompany (sales) purchases, net*	(360)	120	50	76	164	-	-	(50)	-	-	-		
<b>TOTAL OPERATING EXPENSES</b>	<b>23,457</b>	<b>15,931</b>	<b>3,751</b>	<b>2,191</b>	<b>50,765</b>	<b>12</b>	<b>207,251</b>	<b>12,983</b>	<b>(12)</b>	<b>(12)</b>	<b>316,329</b>		
<b>NET OPERATING REVENUES</b>	<b>4,782</b>	<b>25,297</b>	<b>2,075</b>	<b>346</b>	<b>8,642</b>	<b>(12)</b>	<b>(4,232)</b>	<b>1,752</b>	<b>103</b>	<b>103</b>	<b>38,753</b>		
<b>OTHER (EXPENSES) REVENUES</b>													
Interest expense	(1,110)	(23,621)	(1,503)	-	(12,177)	-	-	-	-	-	(38,411)		
Interest income	223	262	22	-	267	-	297	26	573	573	1,670		
Other	46	23	530	-	3,788	-	-	134	192	192	4,713		
<b>TOTAL OTHER (EXPENSES) REVENUES</b>	<b>(841)</b>	<b>(23,336)</b>	<b>(951)</b>	<b>-</b>	<b>(8,122)</b>	<b>-</b>	<b>297</b>	<b>160</b>	<b>765</b>	<b>765</b>	<b>(32,028)</b>		
<b>FUTURE RECOVERABLE AMOUNTS</b>													
	(813)	2,050	(1,156)	-	2,075	12	-	-	(383)	(383)	1,785		
<b>REFUNDS TO PARTICIPANTS</b>													
INCREASE (DECREASE) IN NET POSITION	(1,980)	(3,334)	8	339	1,413	-	(261)	(3,073)	(508)	(508)	(7,396)		
	1,148	677	(24)	685	4,008	-	(4,196)	(1,161)	(23)	(23)	1,114		
<b>NET POSITION, Beginning of year</b>	5,608	7,095	162	(459)	4,532	-	7,781	5,191	80	80	29,990		
<b>NET POSITION, Period ended</b>	<b>\$ 6,756</b>	<b>\$ 7,772</b>	<b>\$ 138</b>	<b>\$ 226</b>	<b>\$ 8,540</b>	<b>\$ -</b>	<b>\$ 3,585</b>	<b>\$ 4,030</b>	<b>\$ 57</b>	<b>\$ 57</b>	<b>\$ 31,104</b>		

\* Eliminated in Combination



# Commission Staff Report

DATE: April 12, 2016

COMMISSION MEETING DATE: April 21, 2016

SUBJECT: Treasurer's Report for the Month Ended March 31, 2016

AGENDA CATEGORY: Consent

<b>FROM:</b> Sondra Ainsworth Treasurer-Controller	<b>METHOD OF SELECTION:</b>
Division: Administrative Services	N/A
	<i>If other, please describe:</i>

**IMPACTED MEMBERS:**

All Members	<input checked="" type="checkbox"/>	City of Lodi	<input type="checkbox"/>	City of Ukiah	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>	Plumas-Sierra REC	<input type="checkbox"/>
Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input type="checkbox"/>	Other	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>		<input type="checkbox"/>

*If other, please specify.*

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*Place an X in the box next to the applicable Member(s) above.*

**RECOMMENDATION:**

Approval by all members.

**BACKGROUND:**

In compliance with Agency policy and State of California Government Code Sections 53601 and 53646(b), the following monthly report is submitted for your information and acceptance.

Cash - At month end cash totaled \$21,801,979 of which approximately \$231,183 was applicable to Special and Reserve Fund Deposits, \$3,491 to Debt Service and \$21,567,305 to Operations and other.

The cash balance held at U.S. Bank includes outstanding checks that have not yet cleared. This cash balance is invested nightly in a fully collateralized (U.S. Government Securities) repurchase agreement.

Investments - The carrying value of NCPA's investment portfolio totaled \$256,945,765 at month end. The current market value of the portfolio totaled \$257,814,435.

The overall portfolio had a combined weighted average interest rate of 0.888% with a bond equivalent yield (yield to maturity) of 0.900%. Investments with a maturity greater than one year totaled \$148,749,000. March maturities totaled \$4 million and monthly receipts totaled \$32 million. During the month \$10 million was invested.

Funds not required to meet annual cash flow are reinvested and separately reported as they occur.

Interest Rates - During the month, rates on 90 day T-Bills decreased 10 basis point (from 0.33% to 0.23%) and rates on one year T-Bills increased 6 basis points (from 0.56% to 0.62%).

To the best of my knowledge and belief, all securities held by NCPA as of March 31, 2016 are in compliance with the Agency's investment policy. There are adequate cash flow and investment maturities to meet next month's cash requirements.

**FISCAL IMPACT:**

This report has no direct budget impact to the Agency.

**ENVIRONMENTAL ANALYSIS:**

The Treasurer's report will not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments

# NORTHERN CALIFORNIA POWER AGENCY

## TREASURER'S REPORT

MARCH 31, 2016

### TABLE OF CONTENTS

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DETAIL REPORT OF INVESTMENTS	APPENDIX

Northern California Power Agency  
Treasurer's Report  
Cash & Investment Balance  
March 31, 2016

	CASH	INVESTMENTS	TOTAL	PERCENT
<b>NCPA FUNDS</b>				
Operating	\$ 20,803,281	\$ 66,613,594	87,416,875	31.36%
Special Deposits	761,975	1	761,976	0.27%
Construction	2,049	4,858,296	4,860,345	1.74%
Debt Service	3,491	38,182,908	38,186,399	13.70%
Special & Reserve	231,183	147,290,966	147,522,149	52.92%
	<u>\$ 21,801,979</u>	<u>\$ 256,945,765</u>	<u>\$ 278,747,744</u>	<u>100.00%</u>

Portfolio Investments at Market Value

\$ 257,814,435

NOTE A -Investment amounts shown at book carrying value.

Northern California Power Agency  
Treasurer's Report  
Cash Activity Summary  
March 31, 2016

	RECEIPTS			EXPENDITURES			CASH
		INTEREST	INVESTMENTS		INVESTMENTS	INTER-COMPANY/	INCREASE /
	OPS/CONSTR	(NOTE B)	(NOTE A)	OPS/CONSTR	(NOTE B)	FUND TRANSFERS	(DECREASE)
<b>NCPA FUNDS</b>							
Operating	\$ 29,555,028	\$ 63,331	\$ -	\$ (18,242,652)	\$ (3,378,920)	\$ (9,336,347)	\$ (1,339,560)
Special Deposits	2,176,743	109	-	(6,604,444)	-	3,073,019	(1,354,573)
Construction	-	-	-	-	-	-	-
Debt Service	-	6	100	-	(6,010,530)	6,011,997	1,573
Special & Reserve	-	68,851	3,567,282	(3,567,282)	(303,802)	251,331	16,380
	<u>\$ 31,731,771</u>	<u>\$ 132,297</u>	<u>\$ 3,567,382</u>	<u>\$ (28,414,378)</u>	<u>\$ (9,693,252)</u>	<u>\$ -</u>	<u>\$ (2,676,180)</u>

NOTE A -Investment amounts shown at book carrying value.

NOTE B -Net of accrued interest purchased on investments.

**Northern California Power Agency  
Treasurer's Report  
Investment Activity Summary  
March 31, 2016**

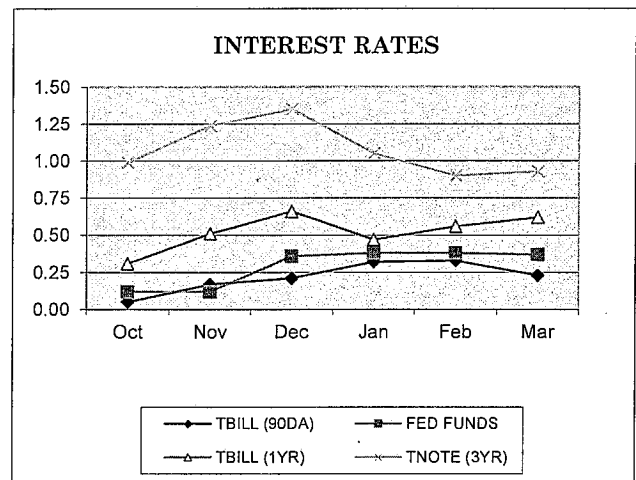
	PURCHASED	SOLD OR MATURED	(NON-CASH)	(NON-CASH)	INVESTMENTS	
			DISC/(PREM) AMORT	GAIN/(LOSS) ON SALE	TRANSFERS	INCREASE / (DECREASE)
<b>NCPA FUNDS</b>						
Operating	\$ 3,378,920	\$ -	\$ (3,174)	\$ -	\$ -	\$ 3,375,746
Special Deposits		-	-	-	-	-
Construction	-	-	(406)	-	-	(406)
Debt Service	6,010,530	(100)	10,674	-	-	6,021,104
Special & Reserve	303,802	(3,567,282)	(3,988)	-	-	(3,267,468)
	<u>\$ 9,693,252</u>	<u>\$ (3,567,382)</u>	<u>\$ 3,106</u>	<u>\$ -</u>	<u>\$ -</u>	<u>6,128,976</u>
<b>Less Non- Cash Activity</b>						
Disc/(Prem) Amortization & Gain/(Loss) on Sale						<u>(3,106)</u>
<b>Net Change in Investment --Before Non-Cash Activity</b>						<u><u>\$ 6,125,870</u></u>

NOTE A -Investment amounts shown at book carrying value.

**Northern California Power Agency  
Interest Rate/Yield Analysis  
March 31, 2016**

	<b>WEIGHTED AVERAGE INTEREST RATE</b>	<b>BOND EQUIVALENT YIELD</b>
<b>OVERALL COMBINED</b>	<u>0.888%</u>	<u>0.900%</u>
<b>OPERATING FUNDS:</b>	0.888%	0.848%
<b>PROJECTS:</b>		
Geothermal	1.072%	1.076%
Capital Facilities	1.062%	1.055%
Hydroelectric	1.018%	0.998%
Lodi Energy Center	0.905%	0.865%

<b>KEY INTEREST RATES</b>		
	<b>CURRENT</b>	<b>PRIOR YEAR</b>
Fed Fds (Ovrnight)	0.37%	0.12%
T-Bills (90da.)	0.23%	0.03%
Agency Disc (90da.)	0.30%	0.06%
T-Bills (1yr.)	0.62%	0.26%
Agency Disc (1yr.)	0.55%	0.27%
T-Notes (3yr.)	0.93%	0.94%





**Northern California Power Agency  
Total Portfolio  
Investment Maturities Analysis  
March 31, 2016**

Type	0-7 Days	8-90 Days	91-180 Days	181-270 Days	271-365 Days	1-5 Years	6-10 Years	Total	Percent
US Government Agencies	\$0	\$41,155	\$7,053	\$865	\$0	\$143,378	\$5,371	\$197,822	71.29%
US Bank Trust Money Market	3,427							3,427	1.24%
Commercial Paper	5,000							5,000	1.80%
Investment Trusts (LAIF)	50,046							50,046	18.04%
U.S.Treasury Market Acct. *	21,185							21,185	7.63%
U.S.Treasury Bill								0	0.00%
Certificates of Deposit	10							10	0.00%
<b>Total Dollars</b>	<b>\$79,668</b>	<b>\$41,155</b>	<b>\$7,053</b>	<b>\$865</b>	<b>\$0</b>	<b>\$143,378</b>	<b>\$5,371</b>	<b>\$277,490</b>	<b>100.00%</b>
<b>Total Percents</b>	<b>28.71%</b>	<b>14.83%</b>	<b>2.54%</b>	<b>0.31%</b>	<b>0.00%</b>	<b>51.67%</b>	<b>1.94%</b>	<b>100.00%</b>	

Investments are shown at Face Value, in thousands.

\* The cash balance held at US Bank includes outstanding checks that have not yet cleared. This cash balance is invested nightly in a fully collateralized (U.S. Government Securities) repurchase agreement. Cash held by Union Bank of California is invested nightly in fully collateralized U.S. Treasury Securities.

**NORTHERN CALIFORNIA POWER AGENCY**

**Detail Report Of Investments**

**APPENDIX**

**Note:**           **This appendix has been prepared to comply with  
Government Code section 53646.**



Northern California Power Agency  
Treasurer's Report  
03/31/2016

Operating

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
US Bank, N.A.	USB	5,000,000	0.100	11/26/2014	5,000,000		1	0.100	5,000,000	SYS70101	70101	5,000,000
Local Agency Investm	LAIF	16,482,566	0.367	07/01/2013	16,482,566		1	0.367	16,482,566	SYS70000	70000	16,482,566
Union Bank of Calif	UBOC	168,080	0.002	07/01/2013	168,080		1	0.002	168,080	SYS70014	70014	168,080
US Bank	USB	20,803,279	0.001	06/30/2013	20,803,279		1	0.001	20,803,279	SYS70050	70050	20,803,279
US Bank	USB	10,000	0.050	01/07/2016	10,000	04/07/2016	6	0.050	10,000	SYS30298	30298	10,000
Federal Farm Credit	UBOC	3,626,000	1.290	12/21/2015	3,624,948	11/19/2018	962	1.300	3,659,468	3133EFPJ0	26280	3,625,049
Federal Home Loan Mt	UBOC	9,870,000	1.750	06/09/2015	9,983,900	05/30/2019	1,154	1.450	10,106,465	3137EADG1	26231	9,960,658
Federal Home Loan Mt	UBOC	7,750,000	1.625	09/30/2015	7,750,000	03/30/2020	1,459	1.625	7,757,285	3134G7G88	26259	7,750,000
Federal National Mtg	UBOC	3,205,000	1.600	04/29/2015	3,205,000	04/29/2020	1,489	1.600	3,207,276	3136GZGH4	26224	3,205,000
<b>Fund Total and Average</b>		<b>\$ 66,914,925</b>	<b>0.693</b>		<b>\$ 67,027,773</b>		<b>464</b>	<b>0.649</b>	<b>\$ 67,194,439</b>			<b>\$ 67,004,632</b>

MPP GHG Auction Acct

Local Agency Investm		188,811	0.367	07/01/2013	188,811		1	0.367	188,811	SYS70045	70045	188,811
<b>Fund Total and Average</b>		<b>\$ 188,811</b>	<b>0.367</b>		<b>\$ 188,811</b>		<b>1</b>	<b>0.367</b>	<b>\$ 188,811</b>			<b>\$ 188,811</b>

SCPA Balancing Account

Local Agency Investm	LAIF	1,504,767	0.367	07/01/2013	1,504,767		1	0.367	1,504,767	SYS70022	70022	1,504,767
Union Bank of Calif	UBOC	4,506	0.005	07/01/2013	4,506		1	0.005	4,506	SYS70023	70023	4,506
US Bank	USB	0	0.000	07/01/2013	0		1	0.000	0	SYS70058	70058	0
Federal Home Loan Ba	UBOC	4,510,000	1.000	04/27/2015	4,510,000	04/27/2018	756	1.000	4,510,677	3130A55T2	26223	4,510,000
Federal National Mtg	UBOC	3,962,000	1.625	12/18/2014	4,000,630	11/27/2018	970	1.369	4,040,566	3135GOY74	26187	3,968,025
Federal Home Loan Ba	UBOC	5,070,000	1.625	12/28/2015	5,070,000	06/28/2019	1,183	1.625	5,070,101	3130A6VN4	26281	5,070,000
Federal Home Loan Mt	UBOC	5,075,000	1.700	10/28/2015	5,075,000	10/28/2020	1,671	1.700	5,075,406	3134G73K5	26271	5,075,000
<b>Fund Total and Average</b>		<b>\$ 20,126,273</b>	<b>1.410</b>		<b>\$ 20,164,903</b>		<b>1080</b>	<b>1.359</b>	<b>\$ 20,206,023</b>			<b>\$ 20,152,298</b>

General Operating Reserve

Local Agency Investm	LAIF	24,228,721	0.367	07/01/2013	24,228,721		1	0.367	24,228,721	SYS70000	70002	24,228,721
Union Bank of Calif	UBOC	40,160	0.002	07/01/2013	40,160		1	0.002	40,160	SYS70019	70019	40,160
US Bank	USB	0	0.000	07/01/2013	0		1	0.000	0	SYS70051	70051	0
Federal Home Loan Mt	UBOC	4,995,000	0.500	01/24/2014	4,994,251	05/13/2016	42	0.506	4,995,849	3137EADQ9	26085	4,994,962
Federal National Mtg	UBOC	3,263,000	0.750	12/16/2014	3,261,466	04/20/2017	384	0.770	3,264,207	3135GOZB2	26186	3,262,311
Federal Farm Credit	UBOC	7,305,000	0.770	12/05/2012	7,305,000	06/05/2017	430	0.770	7,305,584	3133E05L4	25942	7,305,000
Federal National Mtg	UBOC	10,490,000	0.900	11/27/2012	10,490,000	11/27/2017	605	0.900	10,490,000	3136G07M7	25934	10,490,000
Federal National Mtg	UBOC	5,970,000	1.625	12/23/2014	6,009,701	11/27/2018	970	1.450	6,088,385	3135GOY74	26188	5,996,841



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General Operating Reserve

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equity Yield	Market Value	CUSIP	Investment #	Carrying Value
Federal Farm Credit	UBOC	9,376,000	1.420	10/22/2015	9,376,000	10/22/2019	1,299	1.420	9,376,094	3133EFLB1	26270	9,376,000
Federal National Mtg	UBOC	4,982,000	1.750	08/28/2015	5,047,364	11/26/2019	1,334	1.430	5,097,732	3135GGZY2	26246	5,038,252
Federal Farm Credit	UBOC	1,301,000	1.850	06/08/2015	1,301,000	06/08/2020	1,529	1.850	1,301,703	3133EEU65	26229	1,301,000
Federal Farm Credit	UBOC	4,260,000	1.680	10/29/2015	4,260,000	10/29/2020	1,672	1.680	4,251,352	3133EFM69	26272	4,260,000
Fund Total and Average		\$ 76,210,881	0.922		\$ 76,313,663		587	0.888	\$ 76,439,787			\$ 76,293,247
GRAND TOTALS:		\$ 163,440,890	0.888		\$ 163,695,150		597	0.848	\$ 164,029,060.			\$ 163,638,988

\*Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types. Investments with less than 6 months to maturity use an approximate method, all others use an exact method.

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 03/31/2016

- Investment #25934 - FNMA - Callable quarterly.
- Investment #25942 - FFCB - Callable anytime.
- Investment #26223 - FHLMC - Callable on 4/27/2017 Only.
- Investment #26224 - FHLMC - Callable on 4/29/2016 Only.
- Investment #26229 - FFCB - Callable 6/8/16, then anytime
- Investment #26259 - FHLMC - Callable quarterly.
- Investment #26270 - FFCB - Callable anytime.
- Investment #26271 - FHLMC - Callable quarterly.
- Investment #26272 - FFCB - Callable anytime.
- Investment #26281 - FHLB - Callable anytime.



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GEO 2012 Construction Fund

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equity Yield	Market Value	CUSIP	Investment #	Carrying Value
Federal Home Loan Mt	USBT	873,000	0.250	06/02/2015	870,824	05/26/2016	55	0.253	872,651	313396XH1	26226	872,667
<b>Fund Total and Average</b>		<b>\$ 873,000</b>	<b>0.250</b>		<b>\$ 870,824</b>		<b>55</b>	<b>0.254</b>	<b>\$ 872,651</b>			<b>\$ 872,667</b>

Geothermal Debt Service

Federal Home Loan Ba	USBT	346,000	0.304	03/29/2016	345,827	05/27/2016	56	0.309	345,862	313396XJ3	26314	345,836
Federal Home Loan Mt	USBT	242,000	0.490	12/28/2015	241,391	06/30/2016	90	0.498	241,814	313396YU1	26284	241,704
Federal Home Loan Mt	USBT	21,000	0.370	02/26/2016	20,973	06/30/2016	90	0.375	20,984	313396YU1	26306	20,981
Federal Home Loan Ba	USBT	326,000	0.350	02/26/2016	325,601	07/01/2016	91	0.355	325,703	313396YV5	26305	325,712
Federal National Mtg	USBT	992,000	0.390	01/27/2016	990,324	07/01/2016	91	0.396	991,097	313588YV1	26293	991,022
<b>Fund Total and Average</b>		<b>\$ 1,927,000</b>	<b>0.380</b>		<b>\$ 1,924,116</b>		<b>85</b>	<b>0.386</b>	<b>\$ 1,925,460</b>			<b>\$ 1,925,255</b>

Geo 2012A Debt Service

Federal Home Loan Mt	USBT	262,000	0.490	12/28/2015	261,340	06/30/2016	90	0.498	261,798	313396YU1	26285	261,679
Federal Home Loan Mt	USBT	79,000	0.370	02/26/2016	78,889	06/30/2016	90	0.375	78,939	313396YU1	26307	78,927
U.S. Treasury	USBT	79,000	0.269	03/29/2016	78,945	06/30/2016	90	0.273	78,958	912796HY8	26315	78,947
Federal National Mtg	USBT	79,000	0.390	01/27/2016	78,866	07/01/2016	91	0.396	78,928	313588YV1	26292	78,922
<b>Fund Total and Average</b>		<b>\$ 499,000</b>	<b>0.420</b>		<b>\$ 498,050</b>		<b>90</b>	<b>0.427</b>	<b>\$ 498,623</b>			<b>\$ 498,475</b>

Geothermal Special Reserve

Local Agency Investm	LAIF	0	0.356	07/01/2013	0		1	0.356	0	SYS70032	70032	0
Union Bank of Calif	UBOC	0	0.002	07/01/2013	0		1	0.002	0	SYS70015	70015	0
US Bank	USB	0	0.000	07/01/2013	0		1	0.000	0	SYS70063	70063	0
Federal Home Loan Mt	UBOC	1,500,000	1.150	02/26/2016	1,500,000	11/26/2018	969	1.150	1,498,470	3134G8KV0	26302	1,500,000
<b>Fund Total and Average</b>		<b>\$ 1,500,000</b>	<b>1.150</b>		<b>\$ 1,500,000</b>		<b>969</b>	<b>1.150</b>	<b>\$ 1,498,470</b>			<b>\$ 1,500,000</b>

Geo Decommissioning Reserve

Local Agency Investm	LAIF	3,126,698	0.367	07/01/2013	3,126,698		1	0.367	3,126,698	SYS70027	70027	3,126,698
Union Bank of Calif	UBOC	67,739	0.002	07/01/2013	67,739		1	0.002	67,739	SYS70034	70034	67,739
US Bank	USB	0	0.000	07/01/2013	0		1	0.000	0	SYS70059	70059	0
Federal National Mtg	UBOC	4,128,000	0.625	01/24/2014	4,129,569	08/26/2016	147	0.635	4,130,683	3135G0YE7	26084	4,128,244
Federal Home Loan Mt	UBOC	865,000	0.625	12/20/2012	865,000	12/05/2016	248	0.624	865,017	3134G3Z37	25946	865,000
Federal Farm Credit	UBOC	5,488,000	1.900	08/28/2015	5,498,976	08/24/2020	1,606	1.857	5,508,360	3133EFAR8	26247	5,497,674

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Geo Decommissioning Reserve

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equity Yield	Market Value	CUSIP	Investment #	Carrying Value
Fund Total and Average		\$ 13,675,437	1.075		\$ 13,687,982		705	1.061	\$ 13,698,487			\$ 13,685,355
Federal Home Loan Mt	USBT	1,109,000	1.750	06/02/2015	1,125,979	05/30/2019	1,154	1.354	1,135,572	3137EADG1	26228	1,122,448
Federal Home Loan Mt	USBT	2,515,000	1.250	02/27/2015	2,483,839	10/02/2019	1,279	1.530	2,525,840	3137EADM8	26197	2,491,258
Fund Total and Average		\$ 3,624,000	1.405		\$ 3,609,818		1240	1.476	\$ 3,661,412			\$ 3,613,706

Geo 2012A DSR Account

Federal Home Loan Ba	USB	1,500,000	1.750	09/29/2015	1,500,000	09/29/2020	1,642	1.750	1,500,045	3130A6HQ3	26261	1,500,000
Fund Total and Average		\$ 1,500,000	1.750		\$ 1,500,000		1642	1.750	\$ 1,500,045			\$ 1,500,000
GRAND TOTALS:		\$ 23,598,437	1.072		\$ 23,590,790		776	1.076	\$ 23,655,158.			\$ 23,595,458

\*Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types. Investments with less than 6 months to maturity use an approximate method, all others use an exact method.  
Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 03/31/2016  
Investment #26247 - FHLB - Callable 8/24/16, then any time  
Investment #26261 - FHLB - Callable any time  
Investment #26302 - FHLWC - Callable 5/26/16, then quarterly.



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Cap Facilities Debt Service

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Federal Home Loan Mt	USBT	473,000	0.450	01/27/2016	471,912	07/29/2016	119	0.457	472,437	313396ZZ9	26295	472,296
Federal Home Loan Mt	USBT	1,507,000	0.420	02/09/2016	1,503,984	07/29/2016	119	0.426	1,505,207	313396ZZ9	26301	1,504,908
Federal National Mtg	USBT	473,000	0.410	02/26/2016	472,154	08/01/2016	122	0.416	472,357	313588AA47	26309	472,343
Federal National Mtg	USBT	472,000	0.349	03/29/2016	471,426	08/01/2016	122	0.355	471,358	313588AA47	26317	471,440
<b>Fund Total and Average</b>		<b>\$ 2,925,000</b>	<b>0.412</b>		<b>\$ 2,919,486</b>		<b>120</b>	<b>0.418</b>	<b>\$ 2,921,359</b>			<b>\$ 2,920,987</b>
<b>Cap. Fac. Debt Svc Reserve</b>												
Federal Home Loan Mt	USB	1,443,000	2.375	02/13/2012	1,447,430	01/13/2022	2,113	2.340	1,512,812	3137EADB2	25845	1,445,584
<b>Fund Total and Average</b>		<b>\$ 1,443,000</b>	<b>2.375</b>		<b>\$ 1,447,430</b>		<b>2113</b>	<b>2.340</b>	<b>\$ 1,512,812</b>			<b>\$ 1,445,584</b>
<b>GRAND TOTALS:</b>		<b>\$ 4,368,000</b>	<b>1.062</b>		<b>\$ 4,366,916</b>		<b>780</b>	<b>1.055</b>	<b>\$ 4,434,171.</b>			<b>\$ 4,366,571</b>

\*Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types. Investments with less than 6 months to maturity use an approximate method, all others use an exact method.

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 03/31/2016



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Capital Dev. Reserve Hydro

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Local Agency Investm	LAIF	2,136,253	0.367	07/01/2013	2,136,253		1	0.367	2,136,253	SYST0028	70028	2,136,253
Union Bank of Califo	UBOC	21,646	0.002	07/01/2013	21,646		1	0.002	21,646	SYST0031	70031	21,646
US Bank	USB	0	0.000	07/01/2013	0		1	0.000	0	SYST0052	70052	0
Federal Home Loan Ba	UBOC	3,575,000	1.100	12/29/2015	3,575,000	12/29/2017	637	1.100	3,575,715	3130A6UA3	26283	3,575,000
Federal Home Loan Ba	UBOC	5,320,000	1.350	12/29/2015	5,320,000	06/29/2018	819	1.350	5,325,852	3130A6XM4	26282	5,320,000
Federal Home Loan Mt	UBOC	3,221,000	1.150	02/29/2016	3,221,000	11/29/2018	969	1.150	3,217,715	3134G8KVO	26304	3,221,000
<b>Fund Total and Average</b>		<b>\$ 14,273,899</b>	<b>1.093</b>		<b>\$ 14,273,899</b>		<b>684</b>	<b>1.093</b>	<b>\$ 14,277,181</b>			<b>\$ 14,273,899</b>

Hydro Initial Facilities

Federal National Mtg	USB	1,529,000	1.625	12/12/2014	1,539,244	11/27/2018	970	1.450	1,559,320	3135GOYTT4	26189	1,535,873
Federal Farm Credit	USB	2,437,000	1.250	02/02/2016	2,450,501	01/22/2019	1,026	1.060	2,458,519	3133EFVQ7	26300	2,449,757
<b>Fund Total and Average</b>		<b>\$ 3,966,000</b>	<b>1.395</b>		<b>\$ 3,989,745</b>		<b>1004</b>	<b>1.210</b>	<b>\$ 4,017,839</b>			<b>\$ 3,985,630</b>

Hydro Debt Service

Federal Home Loan Ba	USBT	2,913,000	0.305	03/29/2016	2,911,544	05/27/2016	56	0.309	2,911,835	313384XJ3	26316	2,911,618
Federal Home Loan Mt	USBT	1,590,000	0.490	12/28/2015	1,585,996	06/30/2016	90	0.498	1,588,776	313396YU1	26286	1,588,052
Federal Home Loan Ba	USBT	2,915,000	0.350	02/26/2016	2,911,429	07/01/2016	91	0.355	2,912,347	313384YV5	26308	2,912,421
Federal National Mtg	USBT	11,750,000	0.390	01/27/2016	11,730,143	07/01/2016	91	0.396	11,739,308	313588YV1	26294	11,738,416
<b>Fund Total and Average</b>		<b>\$ 19,168,000</b>	<b>0.379</b>		<b>\$ 19,139,112</b>		<b>86</b>	<b>0.385</b>	<b>\$ 19,152,266</b>			<b>\$ 19,150,507</b>

Hydro Debt Service Resrv 2010A

Federal Farm Credit	USB	5,528,000	1.750	08/28/2015	5,546,187	08/04/2020	1,586	1.680	5,626,841	3133EE529	26243	5,544,006
<b>Fund Total and Average</b>		<b>\$ 5,528,000</b>	<b>1.750</b>		<b>\$ 5,546,187</b>		<b>1586</b>	<b>1.680</b>	<b>\$ 5,626,841</b>			<b>\$ 5,544,006</b>

Hydro 2012A Rebate Account

Federal Home Loan Mt	USB	651,000	1.000	02/09/2012	649,392	03/08/2017	341	1.050	652,992	3137EADCC	25853	650,704
<b>Fund Total and Average</b>		<b>\$ 651,000</b>	<b>1.000</b>		<b>\$ 649,392</b>		<b>341</b>	<b>1.050</b>	<b>\$ 652,992</b>			<b>\$ 650,704</b>

Hydro Special Reserve

Local Agency Investm	LAIF	0	0.377	07/01/2013	0		1	0.377	0	SYST0000	70003	0
Local Agency Investm	LAIF	0	0.356	07/01/2013	0		1	0.356	0	SYST0033	70033	0





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Hydro Special Reserve

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Union Bank of Calif	UBOC	0	0.002	07/01/2013	0		1	0.002	0	SY870016	70016	0
US Bank	USB	0	0.000	07/01/2013	0		1	0.000	0	SY870064	70064	0
Federal Home Loan Mt	UBOC	1,500,000	1.150	02/26/2016	1,500,000	11/26/2018	969	1.150	1,498,470	3134G8KVO	26303	1,500,000
<b>Fund Total and Average</b>		<b>\$ 1,500,000</b>	<b>1.150</b>		<b>\$ 1,500,000</b>		<b>969</b>	<b>1.150</b>	<b>\$ 1,498,470</b>			<b>\$ 1,500,000</b>

Hydro 2012 DSRA

Federal Farm Credit	USB	100,000	1.750	08/28/2015	100,329	08/04/2020	1,566	1.680	101,788	3133EE5Z9	26244	100,290
Federal Home Loan Mt	USB	3,928,000	2.375	02/09/2012	3,926,232	01/13/2022	2,113	2.380	4,118,037	3137EADB2	25852	3,926,970
<b>Fund Total and Average</b>		<b>\$ 4,028,000</b>	<b>2.359</b>		<b>\$ 4,026,561</b>		<b>2100</b>	<b>2.363</b>	<b>\$ 4,219,825</b>			<b>\$ 4,027,260</b>
<b>GRAND TOTALS:</b>		<b>\$ 49,114,899</b>	<b>1.018</b>		<b>\$ 49,124,896</b>		<b>699</b>	<b>0.998</b>	<b>\$ 49,445,414.</b>			<b>\$ 49,132,006</b>

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Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 03/31/2016

Investment #26282 - FHLB - Callable 6/29/16, then anytime.  
Investment #26283 - FHLB - Callable quarterly.  
Investment #26303 - FHL.MC - Callable 5/26/16, then quarterly.



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LEC GHG Auction Acct

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Local Agency Investm		71,132	0.367	07/01/2013	71,132		1	0.367	71,132	SYS70046	70046	71,132
<b>Fund Total and Average</b>		<b>\$ 71,132</b>	<b>0.367</b>		<b>\$ 71,132</b>		<b>1</b>	<b>0.367</b>	<b>\$ 71,132</b>			<b>\$ 71,132</b>

LEC Construction Revolving

Local Agency Investm		1	0.254	07/01/2013	1		1	0.254	1	SYS70040	70040	1
<b>Fund Total and Average</b>		<b>\$ 1</b>	<b>0.254</b>		<b>\$ 1</b>		<b>1</b>	<b>0.254</b>	<b>\$ 1</b>			<b>\$ 1</b>

LEC Issue#1 2010A DS Fund

US Bank Trust	USB	59	0.100	07/01/2013	59		1	0.100	59	SYS79003	79003	59
Federal Home Loan Ba	USBT	695,000	0.520	12/24/2015	693,474	05/24/2016	53	0.528	694,736	313384XF1	26288	694,468
Federal Home Loan Ba	USBT	2,560,000	0.240	12/02/2015	2,556,979	05/27/2016	56	0.243	2,558,976	313384XJ3	26278	2,559,044
Federal Home Loan Ba	USBT	695,000	0.381	02/26/2016	694,331	05/27/2016	56	0.386	694,722	313384XJ3	26310	694,588
Federal Home Loan Ba	USBT	694,000	0.304	03/29/2016	693,653	05/27/2016	56	0.309	693,722	313384XJ3	26318	693,671
Federal National Mfg	USBT	694,000	0.360	01/27/2016	693,126	06/01/2016	61	0.365	693,639	313588XP5	26296	693,577
<b>Fund Total and Average</b>		<b>\$ 5,338,059</b>	<b>0.319</b>		<b>\$ 5,331,622</b>		<b>56</b>	<b>0.324</b>	<b>\$ 5,335,854</b>			<b>\$ 5,335,407</b>

LEC Issue #1 2010B DS Fund

US Bank Trust	USB	582	0.100	07/01/2013	582		1	0.100	582	SYS79004	79004	582
Federal Home Loan Ba	USBT	811,000	0.520	12/24/2015	809,219	05/24/2016	53	0.528	810,692	313384XF1	26289	810,379
Federal Home Loan Ba	USBT	727,000	0.381	02/26/2016	726,300	05/27/2016	56	0.386	726,709	313384XJ3	26311	726,569
Federal Home Loan Ba	USBT	726,000	0.305	03/29/2016	725,637	05/27/2016	56	0.309	725,710	313384XJ3	26319	725,656
Federal National Mfg	USBT	727,000	0.360	01/27/2016	726,084	06/01/2016	61	0.365	726,622	313588XP5	26298	726,557
<b>Fund Total and Average</b>		<b>\$ 2,951,582</b>	<b>0.395</b>		<b>\$ 2,987,822</b>		<b>56</b>	<b>0.401</b>	<b>\$ 2,990,315</b>			<b>\$ 2,989,743</b>

LEC Issue #2 2010A DS Fund

US Bank Trust	USB	804	0.100	07/01/2013	804		1	0.100	804	SYS79011	79011	804
Federal Home Loan Ba	USBT	436,000	0.519	12/24/2015	435,043	05/24/2016	53	0.528	435,834	313384XF1	26290	435,666
Federal Home Loan Ba	USBT	2,188,000	0.240	12/02/2015	2,185,418	05/27/2016	56	0.243	2,187,125	313384XJ3	26279	2,187,183
Federal Home Loan Ba	USBT	435,000	0.381	02/26/2016	434,581	05/27/2016	56	0.386	434,826	313384XJ3	26312	434,742
Federal Home Loan Ba	USBT	434,000	0.305	03/29/2016	433,763	05/27/2016	56	0.309	433,826	313384XJ3	26320	433,794
Federal National Mfg	USBT	434,000	0.360	01/27/2016	433,453	06/01/2016	61	0.365	433,774	313588XP5	26297	433,735
<b>Fund Total and Average</b>		<b>\$ 3,927,804</b>	<b>0.307</b>		<b>\$ 3,923,082</b>		<b>56</b>	<b>0.312</b>	<b>\$ 3,926,189</b>			<b>\$ 3,925,924</b>

Northern California Power Agency  
Treasurer's Report  
03/31/2016

LEC Issue #2 2010B DS Fund

Issuer	Trustee / Custodian	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
<b>LEC Issue #2 2010B DS Fund</b>											
US Bank Trust	USB	0.100	07/01/2013	489	489	1	0.100	489	SYS79012	79012	489
Federal Home Loan Ba	USBT	0.520	12/24/2015	348,234	05/24/2016	53	0.528	348,667	313384XF1	26291	348,733
Federal Home Loan Ba	USBT	0.381	02/26/2016	348,664	05/27/2016	56	0.386	348,660	313384XJ3	26313	348,793
Federal Home Loan Ba	USBT	0.304	03/29/2016	348,826	05/27/2016	56	0.309	348,660	313384XJ3	26321	348,834
Federal National Mtg	USBT	0.360	01/27/2016	389,509	06/01/2016	61	0.365	389,797	313568XP5	26299	389,762
<b>Fund Total and Average</b>		<b>0.390</b>		<b>\$ 1,435,722</b>		<b>57</b>	<b>0.396</b>	<b>\$ 1,436,873</b>			<b>\$ 1,436,611</b>

LEC Issue #1 2010 DSR Fund

US Bank Trust	USB	0.100	07/01/2013	76,762	76,762	1	0.100	76,762	SYS79005	79005	76,762
Federal National Mtg	USB	0.875	05/30/2014	4,171,960	08/28/2017	514	0.977	4,179,383	3135GOMZ3	26136	4,170,851
Federal Farm Credit	USBT	1.850	06/08/2015	4,287,000	06/08/2020	1,529	1.850	4,289,315	3133EUE65	26230	4,287,000
<b>Fund Total and Average</b>		<b>1.358</b>		<b>\$ 8,533,762</b>		<b>1019</b>	<b>1.408</b>	<b>\$ 8,545,460</b>			<b>\$ 8,534,613</b>

LEC Iss#1 2010B BABS Subs Resv

US Bank Trust	USB	0.100	07/01/2013	2,261,708	2,261,708	1	0.100	2,261,708	SYS79006	79006	2,261,708
<b>Fund Total and Average</b>		<b>0.100</b>		<b>\$ 2,261,708</b>		<b>1</b>	<b>0.100</b>	<b>\$ 2,261,708</b>			<b>\$ 2,261,708</b>

LEC Issue #2 2010B DSR BABS

US Bank Trust	USB	0.100	07/01/2013	1,086,804	1,086,804	1	0.100	1,086,804	SYS79013	79013	1,086,804
<b>Fund Total and Average</b>		<b>0.100</b>		<b>\$ 1,086,804</b>		<b>1</b>	<b>0.100</b>	<b>\$ 1,086,804</b>			<b>\$ 1,086,804</b>

LEC O & M Reserve

Local Agency Investm	UBOC	0.367	07/01/2013	2,307,335	2,307,335	1	0.367	2,307,335	SYS70047	70047	2,307,335
Union Bank of Califo	UBOC	0.002	07/18/2013	79,697	79,697	1	0.002	79,697	SYS70041	70041	79,697
Federal National Mtg	UBOC	1.875	08/28/2015	2,933,000	2,998,142	1,054	1.220	3,012,426	3135G0ZA4	26248	2,987,051
Federal Farm Credit	UBOC	1.740	09/30/2015	6,000,000	6,000,000	1,643	1.740	6,000,120	3133EFFZ5	26260	6,000,000
<b>Fund Total and Average</b>		<b>1.465</b>		<b>\$ 11,320,032</b>		<b>1144</b>	<b>1.313</b>	<b>\$ 11,399,578</b>			<b>\$ 11,374,083</b>

GRAND TOTALS: \$ 36,968,373 0.905 \$ 37,018,789 607 0.865 \$ 37,053,914 \$ 37,016,026

\*Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types. Investments with less than 6 months to maturity use an approximate method, all others use an exact method.

Current Market Value is based on prices from Trustee/Custodian Statements or bid prices from the Wall Street Journal as of 03/31/2016

Investment # 26230 - FFCB - Callable on 6/8/16, then any time.  
Investment # 26260 - FFCB - Callable any time.



# Commission Staff Report

DATE: April 13, 2016

COMMISSION MEETING DATE: April 21, 2016

SUBJECT: Groome Industrial Service Group, Inc. – Five Year Multi-Task General Services Agreement for Inspection and Maintenance Services; Applicable to the following projects: All NCPA Generation Services Plant Locations, Members, SCPPA, and SCPPA Members

AGENDA CATEGORY: Consent

<b>FROM:</b> Ken Speer <sup>LS</sup> Generation Services	<b>METHOD OF SELECTION:</b>
Division: Generation Services	N/A
	<i>If other, please describe:</i>

**IMPACTED MEMBERS:**

All Members	<input checked="" type="checkbox"/>	City of Lodi	<input type="checkbox"/>	City of Ukiah	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>	Plumas-Sierra REC	<input type="checkbox"/>
Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input type="checkbox"/>	Other	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>		<input type="checkbox"/>

*If other, please specify.*

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*Place an X in the box next to the applicable Member(s) above.*

**RECOMMENDATION:**

Approve Resolution 16-27 authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Groome Industrial Service Group, Inc. for inspection and maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$850,000 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.

**BACKGROUND:**

Inspection and maintenance services are needed at various NCPA locations as well as member facilities for the operation of the plants. Groome Industrial Service Group, Inc. is a provider of these services.

**FISCAL IMPACT:**

Total cost of the agreement is not-to-exceed \$850,000 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.

**SELECTION PROCESS:**

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 seeks bids from as many qualified providers as possible. 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.

**ENVIRONMENTAL ANALYSIS:**

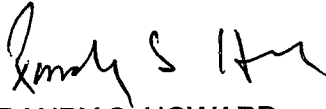
This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a “project” for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

**COMMITTEE REVIEW:**

The recommendation above was reviewed by the Facilities Committee on March 30, 2016 and was recommended for Commission approval.

The recommendation above was reviewed by the Lodi Energy Center Participant Committee on April 11, 2016 and was recommended for Commission approval.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Randy S. Howard". The signature is written in a cursive, flowing style.

RANDY S. HOWARD  
General Manager

Attachments (2):

- Resolution
- Multi-Task General Services Agreement with Groome Industrial Service Group, Inc.

**RESOLUTION 16-27**

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING A MULTI-TASK GENERAL SERVICES AGREEMENT WITH GROOME  
INDUSTRIAL SERVICE GROUP, INC.**

**(reference Staff Report #139:16)**

WHEREAS, various inspection and maintenance services are periodically required for plant operations at the facilities owned and/or operated by Northern California Power Agency (NCPA), its members, the Southern California Public Power Authority (SCPPA), and SCPPA members; and

WHEREAS, Groome Industrial Service Group, Inc. is a provider of these services; and

WHEREAS, on April 11, 2016, the LEC Project Participant Committee approved the agreement with Groome Industrial Service Group, Inc. in an amount not-to-exceed \$850,000 over five years; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a Multi-Task General Services Agreement with Groome Industrial Service Group, Inc., with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$850,000 over five years for various inspection and maintenance services at all facilities owned and/or operated by NCPA, its members, by the Southern California Public Power Authority (SCPPA), or by SCPPA members.

PASSED, ADOPTED and APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2016 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

\_\_\_\_\_  
CAROL GARCIA  
CHAIRPERSON

ATTEST:

\_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY





**MULTI-TASK  
GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
GROOME INDUSTRIAL SERVICE GROUP, INC.**

This agreement for general services ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Groome Industrial Service Group, Inc., a corporation, with its office located at 155 Franklin Turnpike Waldwick, NJ 07463 ("Contractor") (together sometimes referred to as the "Parties") as of \_\_\_\_\_, 201\_ ("Effective Date") in Roseville, California.

**Section 1. SCOPE OF WORK.** Subject to the terms and conditions set forth in this Agreement, Contractor is willing to provide to Agency the range of services and/or goods described in the Scope of Work attached hereto as Exhibit A and incorporated herein ("Work").

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.
- 1.3 Assignment of Personnel.** Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Work Provided.** Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Work to be Performed.** At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform

the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

**Section 2. COMPENSATION.** Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED EIGHT HUNDRED FIFTY THOUSAND** dollars (\$850,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

**2.1 Invoices.** Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Work performed;
- The Purchase Order number authorizing the Requested Work;
- At Agency's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency's reasonable satisfaction;
- At Agency's option, the total number of hours of work performed under the Agreement by Contractor and each employee, agent, and subcontractor of Contractor performing work hereunder.

Invoices shall be sent to:

Northern California Power Agency  
651 Commerce Drive  
Roseville, California 95678  
Attn: Accounts Payable

**2.2 Monthly Payment.** Agency shall make monthly payments, based on invoices received, for Work satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.

**2.3 Payment of Taxes.** Contractor is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

**2.4 Authorization to Perform Work.** The Contractor is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.

**2.5 Timing for Submittal of Final Invoice.** Contractor shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work. In the event Contractor fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency.

**Section 3. FACILITIES AND EQUIPMENT.** Except as set forth herein, Contractor shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Work.

**Section 4. INSURANCE REQUIREMENTS.** Before beginning any Work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

**4.1 Workers' Compensation.** If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars (\$1,000,000.00) per accident.

**4.2 Commercial General and Automobile Liability Insurance.**

**4.2.1 Commercial General Insurance.** Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of \$1,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

**4.2.2 Automobile Liability.** Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of \$1,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

**4.2.3 General Liability/Umbrella Insurance.** The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.

**4.3** [Intentionally left blank.]

**4.4 Pollution Insurance.** If Contractor's Work involves its transporting hazardous materials, then Contractor shall obtain and maintain Contractors' Pollution Liability Insurance of not less than two million dollars (\$2,000,000) for any one occurrence and not less than four million dollars (\$4,000,000) aggregate. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000.00) per claim. Such insurance shall be on "an occurrence" basis.

"Hazardous Materials" means any toxic or hazardous substance, hazardous material, dangerous or hazardous waste, dangerous good, radioactive material, petroleum or petroleum-derived products or by-products, or any other chemical, substance, material or emission, that is regulated, listed, or controlled pursuant to any national, state, or local law, statute, ordinance, directive, regulation, or other legal requirement of the United States.

**4.5 All Policies Requirements.**

**4.5.1 Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.4, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

**4.5.2 Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

**4.5.3 Higher Limits.** If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.

**4.5.4 Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Agency shall have the right to require Contractor to provide the certificates of insurance and/or policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.

4.6 **Waiver of Subrogation.** Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.

4.7 **Contractor's Obligation.** Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

## **Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.**

5.1 **Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.

5.2 **Scope.** Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.

## **Section 6. STATUS OF CONTRACTOR.**

6.1 **Independent Contractor.** Contractor is an independent contractor and not an employee of Agency. Agency shall have the right to control Contractor only insofar as the results of Contractor's Work and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Contractor accomplishes Work

rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Contractor shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Contractor and Agency acknowledge and agree that compensation paid by Agency to Contractor under this Agreement is based upon Contractor's estimated costs of providing the Work, including salaries and benefits of employees, agents and subcontractors of Contractor.

Contractor shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Contractor's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Contractor agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Contractor shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Contractor.

- 6.2 Contractor Not Agent.** Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.
- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work

subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

- 6.4 Certification as to California Energy Commission.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.
- 6.5 Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.
- 6.6 Maintenance Labor Agreement.** If the Work is subject to the terms of one or more Maintenance Labor Agreements, which are applicable only to certain types of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E and/or similar documentation as to compliance.

**Section 7. LEGAL REQUIREMENTS.**

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Licenses and Permits.** Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.
- 7.4 Monitoring by DIR.** The Work is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
- 7.5 Registration with DIR.** During the term of this Agreement, Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform Work consistent with Labor Code section 1725.5.
- 7.6 Prevailing Wage Rates.** In accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work as provided in the California Labor Code must be paid to all workers engaged in performing the Work. In accordance with California

Labor Code Section 1770 and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed; the Agency has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the project; and copies of the prevailing rate of per diem wages are on file at the Agency and will be made available on request. Throughout the performance of the Work, Contractor must comply with all applicable laws and regulations that apply to wages earned in performance of the Work. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the Agency harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

Additionally, in accordance with the California Administrative Code, Title 8, Group 3, Article 2, Section 16000, Publication of Prevailing Wage Rates by Awarding Bodies, copies of the applicable determination of the Director can be found on the web at: <http://www.dir.ca.gov/DLSR/PWD/> and may be reviewed at any time.

Contractor shall be required to submit to the Agency during the contract period, copies of Public Works payroll reporting information per California Department of Industrial Relations, Form A- 1-131 (New 2-80) concerning work performed under this Agreement.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency \$50.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 *et seq.* In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

## **Section 8. TERMINATION AND MODIFICATION.**

- 8.1 Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Contractor.

In the event of termination, Contractor shall be entitled to compensation for Work satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof).



- 8.2 **Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.
- 8.4 **Options upon Breach by Contractor.** If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:
- 8.4.1 Immediately terminate the Agreement;
  - 8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;
  - 8.4.3 Retain a different Contractor to complete the Work not finished by Contractor; and/or
  - 8.4.4 Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

**Section 9. KEEPING AND STATUS OF RECORDS.**

- 9.1 **Records Created as Part of Contractor's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.
- 9.2 **Contractor's Books and Records.** Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.
- 9.3 **Inspection and Audit of Records.** Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the

Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.

#### **9.4 Confidential Information and Disclosure.**

- 9.4.1 Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as Confidential Information in accordance with this section.
- 9.4.2 Non-Disclosure of Confidential Information.** During the term of this Agreement, either party may disclose (the "Disclosing Party") Confidential Information to the other party (the "Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.
- 9.4.3 Permitted Disclosure.** Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:
- 9.4.3.1** Disclosure to employees, agents, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.
  - 9.4.3.2** Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

**9.4.3.3 Disclosure by Agency in response to a request pursuant to the California Public Records Act.**

**9.4.4 Handling of Confidential Information.** Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

**Section 10. PROJECT SITE.**

- 10.1 Operations at the Project Site.** Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with the operations of the Agency; if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.
- 10.2 Contractor's Equipment, Tools, Supplies and Materials.** Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, will be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor's sole risk. Anything left on the Project site an unreasonable length of time after the Work is completed shall be presumed to have been abandoned by the Contractor. Any transportation furnished by Agency or, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall be solely as an accommodation and neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall have liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on

the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.

- 10.3 Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, for the performance of Work.

**Section 11. WARRANTY.**

- 11.1 Nature of Work.** In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, and that Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.

- 11.2 Deficiencies in Work.** In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor's failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction.

- 11.3 Assignment of Warranties.** Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

**Section 12. HEALTH AND SAFETY PROGRAMS.** The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all site programs established by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4.

- 12.1** Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.

- 12.2** Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be

encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.

- 12.3 Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.
- 12.4 Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.
- 12.5 Contractor shall immediately report any injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.
- 12.6 Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.
- 12.7 Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.
- 12.8 Contractor shall advise its employees and subcontractors that any employee who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.
- 12.9 Contractor shall, at the sole option of the Agency, develop and provide to the Agency a Hazardous Material Spill Response Plan that includes provisions for spill containment and clean-up, emergency contact information including regulatory agencies and spill sampling and analysis procedures. Hazardous Materials shall include diesel fuel used for trucks owned or leased by the Contractor.
- 12.10 **Work Provided Pursuant to Section 1.4.** If Contractor is providing Work to an Agency Member, SCPPA or SCPPA member (collectively "Member" solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof.

**Section 13**      **MISCELLANEOUS PROVISIONS.**

- 13.1**      **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 13.2**      **Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 13.3**      **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 13.4**      **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 13.5**      **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 13.6**      **Conflict of Interest.** Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*
- Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*
- 13.7**      **Contract Administrator.** This Agreement shall be administered by Ken Speer, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.
- 13.8**      **Notices.** Any written notice to Contractor shall be sent to:

Groome Industrial Service Group, Inc.  
Attention: Jeffrey Bause  
155 Franklin Turnpike

Waldwick, NJ 07463

Any written notice to Agency shall be sent to:

Randy S. Howard  
General Manager  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

With a copy to:

Michael F. Dean  
General Counsel  
Northern California Power Agency  
Meyers Nave  
555 Capitol Mall, Suite 1200  
Sacramento, CA 95814

- 13.9 Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.
- 13.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.
- 13.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:
- 13.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
  - 13.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
  - 13.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

- 13.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
- 13.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 13.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

**13.12 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's Proposal, the Exhibits shall control.

**13.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

**13.14 Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

**13.15 No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Contractor provide Work to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this section only "Member") pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Work relating to such Member. If requested by Agency, such Member will sign the "Acknowledgement of Agreement", attached hereto as Exhibit D and incorporated herein, prior to the Contractor performing Work under the Purchase Order.

SIGNATURES ON FOLLOWING PAGE



The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

GROOME INDUSTRIAL SERVICE GROUP, INC.

Date \_\_\_\_\_

Date \_\_\_\_\_

\_\_\_\_\_  
**RANDY S. HOWARD, GENERAL MANAGER**

\_\_\_\_\_  
**DAVE MARTIN, SALES MANAGER**

Attest:

\_\_\_\_\_  
Assistant Secretary of the Commission

Approved as to Form:

\_\_\_\_\_  
Assistant General Counsel

## EXHIBIT A

### SCOPE OF WORK

Groome Industrial Service Group, Inc. ("Contractor") shall provide inspection and maintenance services as requested by the Northern California Power Agency ("Agency") at any Facilities owned or operated by NCPA, its Members, Southern California Public Power Authority (SCPPA) or SCPPA members.

Services to include, but not be limited to the following:

- SCR Catalyst Cleaning & Repacking
- CO Catalyst Cleaning & Repacking
- Ammonia Injection Grid Cleaning
- Ammonia Vaporizer Cleaning
- SCR & CO Catalyst Replacement
- HRSG Tube Cleaning
- Inlet Filter House & Duct Refurbishment
- Full-Scale Plant Cleandown
- Baghouse / Filter Changeouts
- Drain System & Pit Cleanouts
- Cooling Tower / ACC Cleaning
- Grate Block / Bar Refurbishment

## EXHIBIT B

### COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all work, including hourly fees and expenses, shall not exceed the amount set forth in Section 2 hereof. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

Foreman	\$65.00 / hour
Journeyman	\$48.00 / hour
PPE/Materials	Our cost plus 15% handling
Per Diem	\$100/day

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted at the time services are requested.

NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.

**EXHIBIT C**

**CERTIFICATION**

**Affidavit of Compliance for Contractors**

I, Jeffrey Bause, Vice President

(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of

GROOME INDUSTRIAL SERVICE GROUP, INC.

(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.

\_\_\_\_\_  
(Signature of officer or agent)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

**EXHIBIT D - NOT APPLICABLE**

**CERTIFICATION**

**Affidavit of Compliance for Hazardous Materials Transport Vendors**

I, \_\_\_\_\_,

(Name of person signing affidavit)(Title)

do hereby certify that the below-named company has prepared and implemented security plans in conformity with 49 CFR 172, subpart I and has conducted employee background investigations in conformity with 49 CFR 172.802(a), as the same may be amended from time to time,

\_\_\_\_\_

(Company name)

for hazardous materials delivery to:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

as required by the California Energy Commission Decision for the above-named project.

\_\_\_\_\_

(Signature of officer or agent)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

**EXHIBIT E - NOT APPLICABLE**

**ATTACHMENT A [from MLA]  
AGREEMENT TO BE BOUND**

**MAINTENANCE LABOR AGREEMENT ATTACHMENT  
LODI ENERGY CENTER PROJECT**

The undersigned hereby certifies and agrees that:

- 1) It is an Employer as that term is defined in Section 1.4 of the Lodi Energy Center Project Maintenance Labor Agreement ("Agreement" solely for the purposes of this Exhibit E) because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Section 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.
- 2) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and condition of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.
- 3) If it performs Covered Work, it will be bound by the legally establishes trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.
- 4) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.
- 5) It will secure a duly executed Agreement to be Bound, in form identical to this documents, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: \_\_\_\_\_

Name of Employer \_\_\_\_\_

\_\_\_\_\_  
(Authorized Officer & Title)

\_\_\_\_\_  
(Address)  
\_\_\_\_\_

**EXHIBIT F**

**Acknowledgement of Agreement**

This Acknowledgement confirms the intent of \_\_\_\_\_, a \_\_\_\_\_ ("Member") to participate in and utilize the Multi-Task Agreement to which this Exhibit is attached, including all other Exhibits attached hereto, between the Northern California Power Agency ("Agency") and \_\_\_\_\_ ("Contractor") effective \_\_\_\_\_, 20\_\_ ("Agreement"). Member has reviewed the terms and conditions of the Agreement in detail and agrees to abide by them. It is understood and agreed that payments for Services by Contractor provided to Member shall be paid by Agency and funded by Member to Agency pursuant to a Support Services Program Agreement between Agency and Member. All invoices for Services for Member shall be addressed to Agency.

Further, Member agrees and acknowledges that the terms, conditions, and applicable Exhibits set forth in the Agreement will apply between Member and Contractor.

**MEMBER**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**CONTRACTOR**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

2603481.3

#13



# Commission Staff Report

**DATE:** April 13, 2016

**COMMISSION MEETING DATE:** April 21, 2016

**SUBJECT:** Baskin Engineering, Inc. – First Amendment to Existing Five Year Multi-Task Consulting Services Agreement; Applicable to the following projects: All NCPA locations, Members, SCPPA, and SCPPA Members

**AGENDA CATEGORY:** Consent

<b>FROM:</b> Ken Speer <sup>KS</sup> Assistant General Manager	<b>METHOD OF SELECTION:</b>
<b>Division:</b> Generation Services	N/A
<i>If other, please describe:</i>	

**IMPACTED MEMBERS:**

All Members	<input checked="" type="checkbox"/>	City of Lodi	<input type="checkbox"/>	City of Ukiah	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>	Plumas-Sierra REC	<input type="checkbox"/>
Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input type="checkbox"/>	Other	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>		<input type="checkbox"/>

*If other, please specify.*

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*Place an X in the box next to the applicable Member(s) above.*



**RECOMMENDATION:**

Approve Resolution 16-28 authorizing the General Manager or his designee to enter into a First Amendment to the existing five year Multi-Task Consulting Services Agreement with Baskin Engineering, Inc. for protection relay upgrades and electrical engineering support, increasing the not to exceed amount from \$225,000 to \$750,000 and revising various provisions to expand the scope of work to include all facilities owned and/or operated by NCPA, its members, Southern California Public Power Authority (SCPPA), or by SCPPA members.

**BACKGROUND:**

On April 23, 2014 NCPA entered into a five year Multi-Task Consulting Services agreement with Baskin Engineering, Inc. for consulting services for protection relay upgrades and electrical engineering support as is needed at the various plant locations from time to time. This amendment will increase the not to exceed amount of the agreement from \$225,000 to \$750,000 and will expand the scope of work to allow for use at any facility owned and/or operated by the Agency, its members, SCPPA, or by SCPPA members. Exhibit B will be modified to include language on pricing for services at the additional member/SCPPA locations as needed.

**FISCAL IMPACT:**

Upon execution, the 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.

**SELECTION PROCESS:**

This five year contract does not commit NCPA to any expenditure of funds. When services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. In addition to this agreement, NCPA has entered into an enabling agreement with California Electrical Services, Inc. and is currently working to put a third enabling agreement of this nature in place. NCPA will seek bids from as many qualified providers as possible. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

**ENVIRONMENTAL ANALYSIS:**

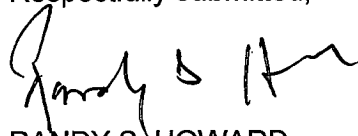
This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

**COMMITTEE REVIEW:**

The recommendation below was reviewed by the Facilities Committee on March 30, 2016 and was recommended for Commission approval.

The recommendation below was reviewed by the Lodi Energy Center Project Participant Committee on April 11, 2016 and was approved.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments: (3)

- Resolution
- First Amendment with Baskin Engineering, Inc.
- Multi-Task Consulting Services Agreement with Baskin Engineering, Inc.

**RESOLUTION 16-28**

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING A FIRST AMENDMENT TO MULTI-TASK CONSULTING SERVICES  
AGREEMENT WITH BASKIN ENGINEERING, INC.**

**(reference Staff Report #140:16)**

WHEREAS, Northern California Power Agency (NCPA) utilizes consulting services regarding protection relay solutions, upgrades and electrical engineering support at its various facility locations as does its members, the Southern California Public Power Authority (SCPPA), and SCPPA members; and

WHEREAS, Baskin Engineering, Inc. is a provider of these services; and

WHEREAS, on April 23, 2014, NCPA and Baskin Engineering, Inc. entered into a five year Multi-Task Consulting Services Agreement for relay protection and electrical engineering support services for use as needed at all NCPA facility locations; and

WHEREAS, NCPA seeks to amend the agreement to add additional funds, increasing the not-to-exceed amount from \$225,000 to \$750,000; and

WHEREAS, NCPA seeks to revise various provisions of the agreement and Exhibits A and B to allow for use at all facilities owned and/or operated by NCPA, its members, Southern California Public Power Authority (SCPPA), or by SCPPA members; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a First Amendment to the Multi-Task Consulting Services Agreement with Baskin Engineering, Inc., with any non-substantial changes as approved by the NCPA General Counsel, increasing the not to exceed amount from \$225,000 to \$750,000 over the contract term and revising the agreement to allow for use at any facility owned and/or operated by NCPA, its members, SCPPA, or by SCPPA members.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2016 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____

Port of Oakland  
Redding  
Roseville  
Santa Clara  
Truckee Donner  
Ukiah  
Plumas-Sierra

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

\_\_\_\_\_  
CAROL GARCIA  
CHAIRPERSON

ATTEST: \_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY



**FIRST AMENDMENT TO MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND BASKIN ENGINEERING, INC.**

This First Amendment ("Amendment") to Multi-Task Consulting Services Agreement is entered into by and between the Northern California Power Agency ("Agency") and Baskin Engineering, Inc. ("Consultant") (collectively referred to as "the Parties") as of \_\_\_\_\_, 2016.

WHEREAS, the Parties entered into a five year Multi-Task Consulting Services Agreement dated effective April 23, 2014, (the "Agreement") for Consultant to provide services for protection relay upgrades and electrical engineering support at any of the NCPA facilities; and

WHEREAS, the Agency now desire to amend the Agreement to add a new Section 1.5, Services Provided, to expand the services provided under the Agreement to Agency members, Southern California Public Power Authority ("SCPPA"), or SCPPA members; and

WHEREAS, the Agency now desires to amend the Agreement to increase the total compensation authorized by the Agreement from a "NOT TO EXCEED" amount of \$225,000.00 to a 'NOT TO EXCEED' amount of \$750,000.00; and

WHEREAS, the Agency now desires to amend the Agreement to add a new Section 4.4.4, Additional Certificates and Endorsements, with respect to services which may be provided to an Agency member, SCPPA, and/or a SCPPA member; and

WHEREAS, the Agency also desires to amend Section 10.15, No Third Party Beneficiaries, with respect to services which may be provided to an Agency member, SCCPA, and/or a SCPPA member; and

WHEREAS, the Agency now desires to amend the SCOPE OF WORK set forth in Exhibit A to the Agreement; and

WHEREAS, the Agency now desires to amend the COMPENSATION SCHEDULE AND HOURLY FEES set forth in Exhibit B to the Agreement; and

WHEREAS, the Agency now desires to add Exhibit D to the Agreement; and

WHEREAS, the Parties have agreed to modify the Agreement as set forth above; and

WHEREAS, in accordance with Section 8.2 all changes to the Agreement must be in writing and signed by all the Parties; and

NOW, THEREFORE, the Parties agree as follows:

1. **Section 1.5—Services Provided** is added to the Agreement as follows:

Services provided under this Agreement by Consultant may include Services directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority (“SCPPA”) or SCPPA members.

2. **Section 2—COMPENSATION** of the Agreement is amended and restated to read as follows:

Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED** Seven Hundred Fifty Thousand dollars (\$750,000.00) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant’s fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

The remainder of Section 2 of the Agreement is unchanged.

3. **Section 4.3—Professional Liability Insurance** is amended and restated to read as follows:

Consultant shall maintain professional liability insurance appropriate to Consultant’s profession performing work in connection with this Agreement in an amount not less than one million dollars (\$1,000,000.00) and two million dollars (\$2,000,000) aggregate covering the Consultant’s errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000) per claim. Such insurance shall be on “an occurrence” basis, except that Consultant may maintain such insurance on a “claims-made” basis, subject to the following conditions: (1) the retroactive date of the policy shall be on or before the Effective Date of this Agreement; (2) the policy shall be maintained for at least five (5) years after completion of the Services and, if requested by Agency, evidence of coverage shall be provided during this period; and (3) if, within five (5) years of completion of the Services, coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Effective Date of this Agreement, Consultant shall purchase “extended reporting” coverage for a minimum of five (5) years after completion of the Services.

4. **Section 4.4.4—Additional Certificates and Endorsements** is added to the Agreement as follows:

If Consultant provides services to Agency members, SCPPA and/or SCPPA members, Agency shall have the right to require the Consultant to provide certificates of insurance and/or policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA or Agency member for which the Services are to be performed.

5. **Section 10.15—No Third Party Beneficiaries** of the Agreement is amended and restated to read as follows:

This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Consultant provide services to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this Section only “Member”) pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Services relating to such Member. If requested by Agency, Member will sign

the "Acknowledgement of Agreement", attached hereto as Exhibit D and incorporated herein, prior to receiving Services under the Purchase Order.

6. **Exhibit A—SCOPE OF SERVICES** is amended and restated to read in full as set forth in the attached Exhibit A.
7. **Exhibit B—COMPENSATION SCHEDULE AND HOURLY FEES** is amended in full as set forth in the attached Exhibit B.
8. **Exhibit D—Acknowledgment of Agreement** is added to the agreement as set forth in the attached Exhibit D.
9. This Amendment in no way alters the terms and conditions of the Agreement except as specifically set forth herein.

Date: \_\_\_\_\_

Date: \_\_\_\_\_

NORTHERN CALIFORNIA POWER AGENCY

BASKIN ENGINEERING, INC.

\_\_\_\_\_  
**RANDY S. HOWARD, General Manager**

\_\_\_\_\_  
**KYLE BASKIN, President**

Attest:

\_\_\_\_\_  
Assistant Secretary of the Commission

Approved as to Form:

\_\_\_\_\_  
Ruthann G. Ziegler, Assistant General Counsel

## EXHIBIT A

### SCOPE OF SERVICES

As requested, BASKIN ENGINEERING, INC. ("Consultant") shall provide the following services to the Northern California Power Agency ("Agency"), its Members, SCPPA, and/or SCPPA Members:

- Consulting services for protection relay upgrades
- Electrical engineering support



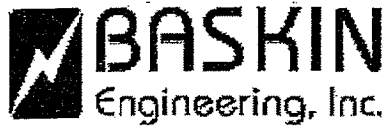
## EXHIBIT B

### COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed the amount set forth in Section 2, Compensation, of the Agreement. The hourly rates and/or compensation breakdown and an estimated amount of expenses as as follows:

See attached Rate Sheet.

Pricing for services to be performed at NCPA Member locations and SCPPA or SCPPA Member locations will be quoted at the time services are requested.



## Pricing List

### Professional Services Fees

Protection Engineering Support	\$125.00 per Hour
On-site Engineering Support	\$125.00 per Hour
On-site Misc. Expenses	\$ 25.00 per Day
Travel Time	\$ 62.50 per Hour

### Other Costs (As Needed)

Copy/Print Hard Media	\$ 25.00
Documentation Delivery	<u>\$ 25.00</u>
Total Tangible Costs	\$ 50.00

In addition to hourly support, Baskin Engineering Consulting also offers fix cost, lump sum pricing for individual project support. The pricing is determined based on the scope of the project.

**EXHIBIT D**

**Acknowledgement of Agreement**

This Acknowledgement confirms the intent of \_\_\_\_\_, a \_\_\_\_\_ ("Member") to participate in and utilize the Multi-Task Agreement to which this Exhibit is attached, including all other Exhibits attached hereto, between the Northern California Power Agency ("Agency") and Baskin Engineering, Inc. ("Consultant") effective April 23, 2014, ("Agreement"). Member has reviewed the terms and conditions of the Agreement in detail and agrees to abide by them. It is understood and agreed that payments for Services by Consultant provided to Member shall be paid by Agency and funded by Member to Agency pursuant to a Support Services Program Agreement between Agency and Member. All invoices for Services for Member shall be addressed to Agency.

Further, Member agrees and acknowledges that the terms, conditions, and applicable Exhibits set forth in the Agreement will apply between Member and Consultant.

**MEMBER**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**CONSULTANT**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**MULTI-TASK  
CONSULTING SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
BASKIN ENGINEERING, INC.**

This agreement for consulting services ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Baskin Engineering, Inc., a corporation with its office located at 4645 Marion Court, Sacramento, CA 95822 ("Consultant") (together sometimes referred to as the "Parties") as of 4/23/, 2014 ("Effective Date") in Roseville, California.

**Section 1. SERVICES.** Subject to the terms and conditions set forth in this Agreement, Consultant is willing to provide to Agency the range of services described in the Scope of Work attached hereto as Exhibit A and incorporated herein ("Services").

- 1.1 **Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Consultant completes the Services, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 **Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.
- 1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 **Request for Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed ("Requested Services"), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed.

**Section 2. COMPENSATION.** Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED** two hundred twenty five thousand dollars (\$225,000) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

**2.1 Invoices.** Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Services performed;
- The Purchase Order number authorizing the Requested Services;
- At Agency's option, the total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder.
- At Agency's option, for each work item in each task, a copy of the applicable time entries showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation;

Invoices shall be sent to:

Northern California Power Agency  
651 Commerce Drive  
Roseville, California 95678  
Attn: Accounts Payable

**2.2 Monthly Payment.** Agency shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.

**2.3 Payment of Taxes.** Consultant is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

**2.4 Authorization to Perform Services.** The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.

**2.5 Timing for Submittal of Final Invoice.** Consultant shall have ninety (90) days after completion of the Requested Services to submit its final invoice for the Requested Services. In the event Consultant fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Consultant is deemed to have waived its right to collect its final payment for the Requested Services from Agency.

**Section 3. FACILITIES AND EQUIPMENT.** Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Services.

**Section 4. INSURANCE REQUIREMENTS.** Before beginning any work under this Agreement, Consultant, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

**4.1 Workers' Compensation.** If Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant with limits of not less than one million dollars (\$1,000,000.00) per accident.

**4.2 Commercial General and Automobile Liability Insurance.**

**4.2.1 Commercial General Insurance.** Consultant shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Consultant. The policy shall provide a minimum limit of \$1,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

**4.2.2 Automobile Liability.** Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$1,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

**4.2.3 General Liability/Umbrella Insurance.** The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.

**4.3 Professional Liability Insurance.** Consultant shall maintain professional liability insurance appropriate to Consultant's profession performing work in connection with this Agreement in an amount not less than one million dollars (\$1,000,000.00) and two million dollars (\$2,000,000) aggregate covering the Consultant's errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000) per claim.

**4.4 All Policies Requirements.**

**4.4.1 Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

**4.4.2 Notice of Reduction in or Cancellation of Coverage.** Consultant shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

**4.4.3 Higher Limits.** If Consultant maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Consultant.

**4.5 Waiver of Subrogation.** Consultant agrees to waive subrogation which any insurer of Consultant may acquire from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Consultant, its employees, agents and subcontractors.

**4.6 Consultant's Obligation.** Consultant shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Services are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Consultant shall also ensure that all workers involved in the provision of Services are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

## **Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.**

**5.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

**5.2 Scope.** Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency and its officials, commissioners, officers,

employees, and volunteers from and against any and all claims that arise out of, pertain to or relate to the negligence, recklessness or willful misconduct of the Consultant in its performance of Services under this Agreement. Consultant shall bear all losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly ("Liabilities"). Such obligations to defend, hold harmless and indemnify the Agency shall not apply to the extent that such Liabilities are caused by the sole negligence, active negligence, or willful misconduct of the Agency.

## **Section 6. STATUS OF CONSULTANT.**

- 6.1 Independent Contractor.** Consultant is an independent contractor and not an employee of Agency. Agency shall have the right to control Consultant only insofar as the results of Consultant's Services and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Consultant accomplishes Services rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Consultant shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Consultant and Agency acknowledge and agree that compensation paid by Agency to Consultant under this Agreement is based upon Consultant's estimated costs of providing the Services, including salaries and benefits of employees, agents and subcontractors of Consultant.

- 6.2 Consultant Not Agent.** Except as Agency may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.
- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Agency. Consultant shall not subcontract



any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Consultant shall supervise all work subcontracted by Consultant in performing the services and shall be responsible for all work performed by a subcontractor as if Consultant itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Consultant from any of its obligations under this Agreement with respect to the services and Consultant is obligated to ensure that any and all subcontractors performing any services shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

- 6.4 **Certification as to California Energy Commission.** If requested by the Agency, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

**Section 7. LEGAL REQUIREMENTS.**

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Consultant and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 **Licenses and Permits.** Consultant represents and warrants to Agency that Consultant and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.
- 7.4 **Work Requiring Payment of Prevailing Wages.** If applicable, in accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which these services are to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in the California Labor Code shall be paid to all workers engaged in performing the services under this Agreement.

**Section 8. TERMINATION AND MODIFICATION.**

- 8.1 **Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Consultant.

In the event of termination, Consultant shall be entitled to compensation for Services satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Consultant delivering to Agency any or all records or documents, as referenced in Section 9.1 hereof.

- 8.2 **Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:
- 8.4.1 Immediately terminate the Agreement;
  - 8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
  - 8.4.3 Retain a different consultant to complete the Services not finished by Consultant; and/or
  - 8.4.4 Charge Consultant the difference between the costs to complete the Services that is unfinished at the time of breach and the amount that Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

**Section 9. KEEPING AND STATUS OF RECORDS.**

- 9.1 **Records Created as Part of Consultant's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Consultant hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Consultant agree that, unless approved by Agency in writing, Consultant shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.
- 9.2 **Consultant's Books and Records.** Consultant shall maintain any and all records or other documents evidencing or relating to charges for Services or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.
- 9.3 **Inspection and Audit of Records.** Any records or documents that this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the

Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under the Agreement.

#### **9.4 Confidential Information and Disclosure.**

**9.4.1 Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as confidential Information in accordance with this section.

**9.4.2 Non-Disclosure of Confidential Information.** During the term of this Agreement, either party may disclose ("The Disclosing Party") confidential Information to the other party ("the Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

**9.4.3 Permitted Disclosure.** Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

**9.4.3.1** Disclosure to employees, agents, consultants, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

**9.4.3.2** Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

9.4.3.3 Disclosure by Agency in response to a request pursuant to the California Public Records Act.

9.4.4 **Handling of Confidential Information.** Conclusion of Agreement. Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof) upon termination of this Agreement, if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

**Section 10**      **MISCELLANEOUS PROVISIONS.**

- 10.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 10.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 10.6 **Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place

Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

**10.7 Contract Administrator.** This Agreement shall be administered by Ken Speer, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative

**10.8 Notices.** Any written notice to Consultant shall be sent to:

Kyle Baskin  
President  
Baskin Engineering, Inc.  
4645 Marion Court  
Sacramento, CA 95822

Any written notice to Agency shall be sent to:

James H. Pope  
General Manager  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

With a copy to:

Michael F. Dean  
General Counsel  
Northern California Power Agency  
Meyers Nave  
555 Capitol Mall, Suite 1200  
Sacramento, CA 95814

**10.9 Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.

**10.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Consultant and

supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

**10.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Consultant agree to resolve the dispute in accordance with the following:

**10.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;

**10.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

**10.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

**10.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

**10.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

**10.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

**10.12 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Consultant's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Consultant's Proposal, the Exhibits shall control.

**10.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

**10.14 Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

**10.15 No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties.

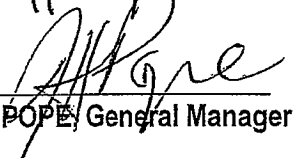
The Parties have executed this Agreement as of the date signed by the Agency.


NORTHERN CALIFORNIA POWER AGENCY

BASKIN ENGINEERING, INC.

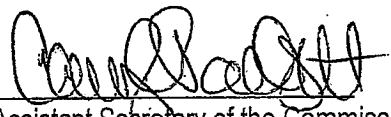
Date 2/23/14

Date 4/4/14

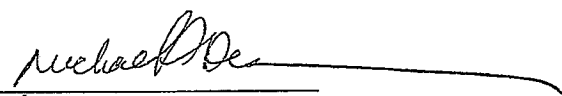
  
\_\_\_\_\_  
JAMES H. POPE, General Manager

  
\_\_\_\_\_  
KYLE BASKIN, President

Attest:

  
\_\_\_\_\_  
Assistant Secretary of the Commission

Approved as to Form:

  
\_\_\_\_\_  
Assistant General Counsel

## EXHIBIT A

### SCOPE OF SERVICES

BASKIN ENGINEERING, INC. ("Contractor") shall provide the following services to the NORTHERN CALIFORNIA POWER AGENCY ("Agency") at any one of its facilities:

- Consulting services for protection relay upgrades
- Electrical engineering support



## EXHIBIT B

### COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed two hundred twenty five thousand dollars (\$225,000). The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

See attached rate sheet.

NOTE: As a public agency, NCPA shall not reimburse Consultant for travel, food and related costs in excess of those permitted by the Internal Revenue Service.



Kyle Baskin  
Principal Engineer  
(206) 357-4310  
KyleBaskin@gmail.com  
4645 Marion Ct.  
Sacramento, CA 95822

### Pricing List

The following tables give a breakdown of estimated cost of contracting with Baskin Engineering, Inc.

Professional Service Fees	
Protection Engineering Support	\$125.00 per Hour
On-site Engineering Support	\$125.00 per Hour
On-site Misc. Expenses	\$25 per Day
Travel Time	\$62.50 per Hour

Other Costs (As Needed)	
Copy / Print Hard Media	\$25.00
Documentation Delivery	\$25.00
Total Tangible Costs	\$50.00

In addition to hourly support, Baskin Engineering Consulting also offers fixed cost, lump sum pricing for individual project support. The pricing is determined based on the scope of the project. For more information about fixed cost pricing, please contact us.

Sincerely,

Kyle Baskin  
Principal Engineer  
Baskin Engineering, Inc.

**EXHIBIT C**

**CERTIFICATION**

**Affidavit of Compliance for Consultants**

I,

\_\_\_\_\_  
(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of

\_\_\_\_\_  
(Company name)

for contract work at

\_\_\_\_\_  
(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.

\_\_\_\_\_  
(Signature of officer or agent)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.



# Commission Staff Report

**DATE:** April 13, 2016

**COMMISSION MEETING DATE:** April 21, 2016

**SUBJECT:** Nor-Cal Controls ES, Inc. – Five Year Multi-Task Professional Services Agreement for Engineering and Plant Control Systems Technical Support Services; Applicable to the following projects: All NCPA Facility Locations, Members, SCPPA, and SCPPA Members

**AGENDA CATEGORY:** Consent

<b>FROM:</b> Ken Speer <sup>ES</sup> Assistant General Manager	<b>METHOD OF SELECTION:</b>
<b>Division:</b> Generation Services	N/A
<i>If other, please describe:</i>	

**IMPACTED MEMBERS:**

All Members	<input checked="" type="checkbox"/>	City of Lodi	<input type="checkbox"/>	City of Ukiah	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>	Plumas-Sierra REC	<input type="checkbox"/>
Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input type="checkbox"/>	Other	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>		<input type="checkbox"/>

*If other, please specify.*

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*Place an X in the box next to the applicable Member(s) above.*

**RECOMMENDATION:**

Approve Resolution 16-29 authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Nor-Cal Controls ES, Inc. which shall not exceed \$350,000 over five years for engineering and plant control systems technical support services 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, with any non-substantial changes recommended and approved by the NCPA General Counsel.

**BACKGROUND:**

Engineering and plant control systems technical support services are needed at various NCPA locations as well as NCPA member facilities and SCPPA member facilities for the operation of the plants. Nor-Cal Controls ES, Inc. is a provider of these services.

**FISCAL IMPACT:**

Total cost of the agreement is not-to-exceed \$350,000 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.

**SELECTION PROCESS:**

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 one other enabling agreement for similar services and seeks bids from as many qualified providers as possible. 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.

**ENVIRONMENTAL ANALYSIS:**

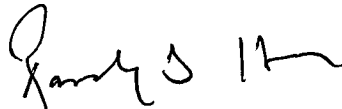
This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a “project” for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

**COMMITTEE REVIEW:**

The recommendation above was reviewed by the Facilities Committee on March 30, 2016 and was recommended for Commission approval.

The recommendation above was reviewed by the Lodi Energy Center Participant Committee on April 11, 2016 and was recommended for Commission approval.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Randy S. Howard". The signature is fluid and cursive, with a prominent initial "R" and a long, sweeping underline.

RANDY S. HOWARD  
General Manager

Attachments (2):

- Resolution
- Multi-Task Professional Services Agreement with Nor-Cal Controls ES, Inc.

**RESOLUTION 16-29**

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING A MULTI-TASK PROFESSIONAL SERVICES AGREEMENT WITH  
NOR-CAL CONTROLS ES, INC.**

**(reference Staff Report #141:16)**

WHEREAS, technical support services on various plant control systems are required from time to time at all facilities owned and/or operated by the Northern California Power Agency (NCPA), its members, by the Southern California Public Power Authority (SCPPA), or by SCPPA members; and

WHEREAS, Nor-Cal Controls ES, Inc. is a provider of these services; and

WHEREAS, on April 11, 2016, the LEC Project Participant Committee approved the agreement with Nor-Cal Controls ES, Inc. in an amount not-to-exceed \$350,000 over five years; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Nor-Cal Controls ES, Inc., with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$350,000 over five years for technical support services on various plant control systems 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.

PASSED, ADOPTED and APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2016 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

\_\_\_\_\_  
CAROL GARCIA  
CHAIRPERSON

ATTEST:

\_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY



**MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
NOR-CAL CONTROLS ES, INC.**

This agreement for professional services ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Nor-Cal Controls ES, Inc., a corporation, with its office located at 6048 Enterprise Drive, Diamond Springs, CA 95619 ("Consultant") (together sometimes referred to as the "Parties") as of \_\_\_\_\_, 2016 ("Effective Date") in Roseville, California.

**Section 1. SERVICES.** Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to Agency the services described in the Scope of Work attached hereto as Exhibit A and incorporated herein ("Services"), at the time and place and in the manner specified therein.

- 1.1 **Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Consultant completes the Services, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 **Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.
- 1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 **Services Provided.** Services provided under this Agreement by Consultant may include Services directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 **Request for Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed ("Requested Services"), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed. Consultant shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Consultant chooses not to perform the Requested Services. If Consultant agrees to perform the Requested Services, begins to



perform the Requested Services or does not respond within the seven day period specified, then Consultant will have agreed to perform the Requested Services on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

## **Section 2.**

**COMPENSATION.** Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED THREE HUNDRED FIFTY THOUSAND** dollars (\$350,000.00) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

**2.1 Invoices.** Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Services performed;
- The Purchase Order number authorizing the Services;
- At Agency's option, the total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder; and
- At Agency's option, when the Consultant's Scope of Work identifies tasks, for each work item in each task, a copy of the applicable time entries showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency's reasonable satisfaction.

Invoices shall be sent to:

Northern California Power Agency  
651 Commerce Drive  
Roseville, California 95678  
Attn: Accounts Payable

**2.2 Monthly Payment.** Agency shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.

**2.3 Payment of Taxes.** Consultant is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

**2.4 Authorization to Perform Services.** The Consultant is not authorized to perform any Services or incur any costs whatsoever under the terms of this Agreement until receipt of written authorization from the Contract Administrator.

**2.5 Timing for Submittal of Final Invoice.** Consultant shall have ninety (90) days after completion of its Services to submit its final invoice. In the event Consultant fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Consultant is deemed to have waived its right to collect its final payment from Agency.

**Section 3. FACILITIES AND EQUIPMENT.** Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Services.

**Section 4. INSURANCE REQUIREMENTS.** Before beginning any work under this Agreement, Consultant, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

**4.1 Workers' Compensation.** If Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant with limits of not less than one million dollars (\$1,000,000.00) per accident.

**4.2 Commercial General and Automobile Liability Insurance.**

**4.2.1 Commercial General Insurance.** Consultant shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Consultant. The policy shall provide a minimum limit of \$1,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

**4.2.2 Automobile Liability.** Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$1,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

- 4.2.3 General Liability/Umbrella Insurance.** The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.
- 4.3 Professional Liability Insurance.** Consultant shall maintain professional liability insurance appropriate to Consultant's profession performing work in connection with this Agreement in an amount not less than one million dollars (\$1,000,000.00) and two million dollars (\$2,000,000) aggregate covering the Consultant's errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000) per claim. Such insurance shall be on "an occurrence" basis.
- 4.4 All Policies Requirements.**
- 4.4.1 Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.
- 4.4.2 Notice of Reduction in or Cancellation of Coverage.** Consultant shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.
- 4.4.3 Higher Limits.** If Consultant maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Consultant.
- 4.4.4 Additional Certificates and Endorsements.** If Consultant provides services to Agency members, SCPPA and/or SCPPA members, Agency shall have the right to require the Consultant to provide certificates of insurance and/or policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA or Agency member for which the Services are to be performed.
- 4.5 Waiver of Subrogation.** Consultant agrees to waive subrogation which any insurer of Consultant may acquire from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Consultant, its employees, agents and subcontractors.

- 4.6** **Consultant's Obligation.** Consultant shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Services are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Consultant shall also ensure that all workers involved in the provision of Services are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

**Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.**

- 5.1** **Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

- 5.2** **Scope.** Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency and its officials, commissioners, officers, employees, and volunteers from and against any and all claims that arise out of, pertain to or relate to the negligence, recklessness or willful misconduct of the Consultant in its performance of Services under this Agreement. Consultant shall bear all losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly ("Liabilities"). Such obligations to defend, hold harmless and indemnify the Agency shall not apply to the extent that such Liabilities are caused by the sole negligence, active negligence, or willful misconduct of the Agency.

**Section 6. STATUS OF CONSULTANT.**

- 6.1** **Independent Contractor.** Consultant is an independent contractor and not an employee of Agency. Agency shall have the right to control Consultant only insofar as the results of Consultant's Services and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Consultant accomplishes Services rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Consultant shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Consultant and Agency acknowledge and agree that compensation paid by Agency to Consultant under this Agreement is based upon Consultant's estimated costs of providing the Services, including salaries and benefits of employees, agents and subcontractors of Consultant.

Consultant shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Consultant's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Consultant agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Consultant shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Consultant.

**6.2 Consultant Not Agent.** Except as Agency may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.

**6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Agency. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Consultant shall supervise all work subcontracted by Consultant in performing the services and shall be responsible for all work performed by a subcontractor as if Consultant itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Consultant from any of its obligations under this Agreement with respect to the services and Consultant is obligated to ensure that any and all subcontractors performing any services shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

- 6.4 **Certification as to California Energy Commission.** If requested by the Agency, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

**Section 7. LEGAL REQUIREMENTS.**

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Consultant and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 **Licenses and Permits.** Consultant represents and warrants to Agency that Consultant and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.

**Section 8. TERMINATION AND MODIFICATION.**

- 8.1 **Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Consultant.

In the event of termination, Consultant shall be entitled to compensation for Services satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Consultant delivering to Agency any or all records or documents, as referenced in Section 9.1 hereof.

- 8.2 **Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:
- 8.4.1 Immediately terminate the Agreement;
- 8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;

- 8.4.3 Retain a different consultant to complete the Services not finished by Consultant; and/or
- 8.4.4 Charge Consultant the difference between the costs to complete the Services that is unfinished at the time of breach and the amount that Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

**Section 9. KEEPING AND STATUS OF RECORDS.**

- 9.1 **Records Created as Part of Consultant's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Consultant hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Consultant agree that, unless approved by Agency in writing, Consultant shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.
- 9.2 **Consultant's Books and Records.** Consultant shall maintain any and all records or other documents evidencing or relating to charges for Services or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.
- 9.3 **Inspection and Audit of Records.** Any records or documents that this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under the Agreement.
- 9.4 **Confidential Information and Disclosure.**
- 9.4.1 **Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was

disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as confidential information in accordance with this section.

**9.4.2 Non-Disclosure of Confidential Information.** During the term of this Agreement, either party may disclose ("The Disclosing Party") confidential information to the other party ("the Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

**9.4.3 Permitted Disclosure.** Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

**9.4.3.1** Disclosure to employees, agents, consultants, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

**9.4.3.2** Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

**9.4.3.3** Disclosure by Agency in response to a request pursuant to the California Public Records Act.

**9.4.4 Handling of Confidential Information.** Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.



**Section 10. MISCELLANEOUS PROVISIONS.**

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 10.6 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*
- Consultant shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*
- 10.7 Contract Administrator.** This Agreement shall be administered by Ken Speer, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.
- 10.8 Notices.** Any written notice to Consultant shall be sent to:

Nor-Cal Controls ES, Inc.  
Attention: Anita Sherron, Accounts Receivable  
6048 Enterprise Dr.  
Diamond Springs, CA 95619

Any written notice to Agency shall be sent to:

Randy S. Howard  
General Manager  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

With a copy to:

Michael F. Dean  
General Counsel  
Northern California Power Agency  
Meyers Nave  
555 Capitol Mall, Suite 1200  
Sacramento, CA 95814

- 10.9 Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.
- 10.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.
- 10.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Consultant agree to resolve the dispute in accordance with the following:
- 10.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
- 10.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

- 10.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
- 10.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
- 10.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 10.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*
- 10.12 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Consultant's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Consultant's Proposal, the Exhibits shall control.
- 10.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.
- 10.14 Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.
- 10.15 No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Consultant provide services to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this Section only "Member") pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Services relating to such Member. If requested by Agency, Member will sign the "Acknowledgement of Agreement", attached hereto as Exhibit D and incorporated herein, prior to receiving Services under the Purchase Order.

The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

NOR-CAL CONTROLS ES, INC.

Date \_\_\_\_\_

Date \_\_\_\_\_

\_\_\_\_\_  
**RANDY S. HOWARD, General Manager**

\_\_\_\_\_  
**CAROLYN LOPEZ, Vice President**

Attest:

\_\_\_\_\_  
Assistant Secretary of the Commission

Approved as to Form:

\_\_\_\_\_  
Assistant General Counsel

## EXHIBIT A

### SCOPE OF SERVICES

As requested by Agency, Nor-Cal Controls ES, Inc. ("Consultant") shall provide engineering and technical support services on DCS, PLC, HMI, SCADA and other plant control systems located at any Facilities owned and operated by NCPA, its Members, Southern California Public Power Authority (SCPPA) or SCPPA members.

Services to include, but shall not be limited to the following:

- Software upgrades
- Logic creation and implementation
- Graphic creation and implementation
- Network configuration
- System troubleshooting

## EXHIBIT B

### COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed amount as set forth in Section 2 of the Agreement. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

Payment for Requested Work shall be made by the following Milestone Payments:

- 35% due upon acceptance by Consultant of Agency issued Purchase Order for Requested Work
- 35% due upon Delivery of Order
- 30% due upon Project Completion

See also, following Rate Sheet.

Service Code	Explanation	Hourly	Rate Terms
Controls Engineer Remote Services	Document review for content, Graphic Development, phone support, Training laptop Configuration. Engineering review, logic development, communication interfacing development, troubleshooting, HMI Configuration. Engineering support, logic advances	\$165/hr.	N/A
I&C Technician On-Site Services	Basic instrumentation & controls support and checkout, including loop checking (electrical), electrical troubleshooting, and calibrations. Advanced instrumentation & controls support and checkout, including loop checking (total), electrical and controls troubleshooting, and calibrations.	\$135/hr.	1.5 x base rate/Overtime 2 x base rate/Double Time
Project Manager-Engineer	Project Management Project oversight, scheduling, customer management and interactions	\$175/hr.	1.5 x base rate/Overtime 2 x base rate/Double Time
Controls Engineer On-Site Services	Meetings, discussions, conferences, site training prep - materials/computers, preparing for onsite class. Engineering review, basic logic development, communication interface installation, troubleshooting-basic, consulting, training. Engineering support, installation & commissioning.	\$175/hr.	1.5 x base rate/Overtime 2 x base rate/Double Time
Electrical Engineer On-Site Services	Includes but no limited to: NERC/FERC interpretation, troubleshooting electro mechanical devices, troubleshooting Protection schemes and devices, Design of Protection schemes and devices, Design and review of Utility Interconnection points, Troubleshooting and design of HV & MV devices to include Switchgear, Transformers, Bus Tie, Conductor, etc.	\$185/hr.	1.5 x base rate/Overtime 2 x base rate/Double Time
Electrical Engineer Remote Services	Document Review, Design & Development, Phone Support, Electrical Consultations	\$175/hr.	N/A
Remote CAD Services	Engineering design support for high level, cabinet, network and electrical drawings.	\$85/hr.	N/A
Fabrication	Procurement, Construction, Assembly of SCADA and network equipment.	\$75/hr.	N/A
On-Site Training Services	Formal or in the field	\$165/hr.	1.5 x base rate/Overtime 2 x base rate/Double Time
Travel time to & from site	Travel time to and from Site (minimum 8 hours, maximum 16 hours)	\$100/hr.	N/A
International Work Zones	Out of Country Field/Site Services: Any country outside of the U.S.A. Offshore/Hazardous Area Nor Cal Controls ES, Inc. reserves the right to refuse dispatch of its staff to any areas involved or threatened by warfare, and areas deemed unsafe by O.S.H.A. or the US State Department.	\$200/hr.	1.5 x base rate/Overtime 2 x base rate/Double Time
Emergency Call-Out Services	Call out support with less than 48 hours preparation	\$195/hr.	1.5 x base rate/Overtime 2 x base rate/Double Time
Retainer- Controls Engineer	Customer keeps NCC's staff on retainer to travel on immediate notice, for weekends and holidays not worked on site but on stand-by until work resumes- 100% of prevailing hourly rate for up to 12hrs/day	\$165/hr.	N/A
Retainer- I & C Technician	Customer keeps NCC's staff on retainer to travel on immediate notice, for weekends and holidays not worked on site but on stand-by until work resumes- 100% of prevailing hourly rate for up to 12hrs/day	\$135/hr.	N/A

Training Manuals	\$135/per manual
Tools, Supplies or Equipment, Software, Hardware needed in particular for job	Invoiced at cost per receipt + 20% carrying fee if charged to NCC
Outside service to assist with Job	Invoiced at cost - per customer approval
Air Travel	Invoiced at cost per receipt Estimated per research (time and location) Economy- Round Trip Point to Point air travel in excess of six (6) hours flying time per leg will be booked as business class Charge Customer change fees if due to changes on their part. NCC reserves the right to recall its staff after 28 calendar days and send replacement staff. Travel charges and expenses for replacement staff shall be paid by customer.
Car Rental	Invoiced at cost per receipt
Hotel	Invoiced at cost per receipt
Luggage	Invoiced per actual receipt- estimated at \$25 per piece of luggage oneway
Mileage	Invoice for actual miles driven to and from airport or jobsite Estimate- 0.54 per mile per IRS 2016 (or per prevailing IRS Rate for year) Only when employee's own car used for work -from the point of origin of the seller's representative, plus return and any required local travel
Parking	Invoiced per actual receipt- Estimated @ \$20 perday
Meals	\$55 per day
Travel Expenses Misc. Gas, toll, transportation...	Invoiced per actual receipt
Telecommunications	Invoiced per actual receipt

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted at the time services are requested.

NOTE: As a public agency, NCPA shall not reimburse Consultant for travel, food and related costs in excess of those permitted by the Internal Revenue Service.



**EXHIBIT C**

**CERTIFICATION**

**Affidavit of Compliance for Contractors**

I,

\_\_\_\_\_  
(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of NOR-CAL CONTROLS ES, INC.

(Company name)

for contract work at

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.

\_\_\_\_\_  
(Signature of officer or agent)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

**EXHIBIT D**

**Acknowledgement of Agreement**

This Acknowledgement confirms the intent of \_\_\_\_\_, a \_\_\_\_\_ ("Member") to participate in and utilize the Multi-Task Agreement to which this Exhibit is attached, including all other Exhibits attached hereto, between the Northern California Power Agency ("Agency") and \_\_\_\_\_ ("Consultant") effective \_\_\_\_\_, 20\_\_ ("Agreement"). Member has reviewed the terms and conditions of the Agreement in detail and agrees to abide by them. It is understood and agreed that payments for Services by Consultant provided to Member shall be paid by Agency and funded by Member to Agency pursuant to a Support Services Program Agreement between Agency and Member. All invoices for Services for Member shall be addressed to Agency.

Further, Member agrees and acknowledges that the terms, conditions, and applicable Exhibits set forth in the Agreement will apply between Member and Consultant.

**MEMBER**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**CONSULTANT**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



# Commission Staff Report

**DATE:** April 13, 2016

**COMMISSION MEETING DATE:** April 21, 2016

**SUBJECT:** Syblon Reid - Five Year Multi-Task General Services Agreement for Routine Maintenance on Structures and Systems; Applicable to the following projects: All NCPA Facility Locations, Members, SCPPA, and SCPPA Members

**AGENDA CATEGORY:** Consent

<b>FROM:</b> Ken Speer <i>KS</i> Assistant General Manager	<b>METHOD OF SELECTION:</b>
<b>Division:</b> Generation Services	N/A
<i>If other, please describe:</i>	

**IMPACTED MEMBERS:**

All Members	<input checked="" type="checkbox"/>	City of Lodi	<input type="checkbox"/>	City of Ukiah	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>	Plumas-Sierra REC	<input type="checkbox"/>
Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input type="checkbox"/>	Other	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>		<input type="checkbox"/>

*If other, please specify.*

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*Place an X in the box next to the applicable Member(s) above.*

**RECOMMENDATION:**

Approve Resolution 16-30 authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Syblon Reid for an amount not-to-exceed \$5,000,000 over a five-year period for routine maintenance on structures and systems including earthwork maintenance; asphalt patch paving maintenance; minor road maintenance; utility easement maintenance; concrete patching maintenance; and tunnel maintenance, with any non-substantial changes recommended and approved by the NCPA General Counsel.

**BACKGROUND:**

Routine maintenance on structures and systems are needed at NCPA facilities in order to comply with regulatory requirements and to maintain reliability of the facilities. This maintenance may include earthwork maintenance, asphalt patch paving maintenance, minor road maintenance, utility easement maintenance, concrete patching maintenance and tunnel maintenance. NCPA members, SCPPA and SCPPA members may also require these services at various locations.

**FISCAL IMPACT:**

Total cost of the agreement will not exceed \$5,000,000 over the five year term 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.

**SELECTION PROCESS:**

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 with vendors such as Ford Construction, George Reed, KW Emerson, and Gifford's Backhoe Services for similar services and seeks bids from as many qualified providers as possible. 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.

**ENVIRONMENTAL ANALYSIS:**

As an enabling agreement, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary.

**COMMITTEE REVIEW:**

The recommendation below was reviewed by the Facilities Committee on March 30, 2016 and was recommended for Commission approval.

The recommendation above was reviewed by the Lodi Energy Center Participant Committee on April 11, 2016 and was recommended for Commission approval.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments: (2)

- Resolution
- Syblon Reid Multi-Task General Services Agreement

**RESOLUTION 16-30**

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING A MULTI-TASK GENERAL SERVICES AGREEMENT  
WITH SYBLON REID**

**(reference Staff Report #142:16)**

WHEREAS, Northern California Power Agency (NCPA) will require routine maintenance on its structures and systems, including, without limitation, earthwork maintenance, asphalt patch paving maintenance, minor road maintenance, utility easement maintenance, concrete patching maintenance, and tunnel maintenance; and

WHEREAS, NCPA members, the Southern California Public Power Authority (SCPPA) and SCPPA members may also require routine maintenance at various locations; and

WHEREAS, Syblon Reid is a provider of these services; and

WHEREAS, NCPA seeks to enter into a Multi-Task General Services Agreement with Syblon Reid to provide such services in an amount not to exceed \$5,000,000 over five years; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary;

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a Multi-Task General Services Agreement with Syblon Reid for an amount not to exceed \$5,000,000 over five years for routine maintenance on structures and systems at all facilities owned and/or operated by NCPA, its members, by the Southern California Public Power Authority (SCPPA), or by SCPPA members, with any non-substantial changes recommended and approved by the NCPA General Counsel.

PASSED, ADOPTED and APPROVED this \_\_\_ day of \_\_\_\_\_, 2016 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Truckee Donner	_____	_____	_____

Ukiah  
Plumas-Sierra

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
CAROL GARCIA  
CHAIRPERSON

ATTEST:

\_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY



**MULTI-TASK  
GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
SYBLON REID**

This agreement for general services ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Syblon Reid, a CA general partnership with its office located at 1130 Sibley Street, Folsom, CA 95630 ("Contractor") (together sometimes referred to as the "Parties") as of \_\_\_\_\_, 2016 ("Effective Date") in Roseville, California.

**Section 1. SCOPE OF WORK.** Subject to the terms and conditions set forth in this Agreement, Contractor is willing to provide to Agency the range of services and/or goods described in the Scope of Work attached hereto as Exhibit A and incorporated herein ("Work").

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.
- 1.3 Assignment of Personnel.** Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Work Provided.** Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Work to be Performed.** At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform



the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

**Section 2. COMPENSATION.** Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED** Five Million dollars (\$5,000,000) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

**2.1 Invoices.** Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Work performed;
- The Purchase Order number authorizing the Requested Work;
- At Agency's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency's reasonable satisfaction;
- At Agency's option, the total number of hours of work performed under the Agreement by Contractor and each employee, agent, and subcontractor of Contractor performing work hereunder.

Invoices shall be sent to:

Northern California Power Agency  
651 Commerce Drive  
Roseville, California 95678  
Attn: Accounts Payable

**2.2 Monthly Payment.** Agency shall make monthly payments, based on invoices received, for Work satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.

**2.3 Payment of Taxes.** Contractor is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

**2.4 Authorization to Perform Work.** The Contractor is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.

**2.5 Timing for Submittal of Final Invoice.** Contractor shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work. In the event Contractor fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency.

**Section 3. FACILITIES AND EQUIPMENT.** Except as set forth herein, Contractor shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Work.

**Section 4. INSURANCE REQUIREMENTS.** Before beginning any Work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

**4.1 Workers' Compensation.** If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars (\$1,000,000.00) per accident.

**4.2 Commercial General and Automobile Liability Insurance.**

**4.2.1 Commercial General Insurance.** Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of \$1,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

**4.2.2 Automobile Liability.** Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of \$1,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

**4.2.3 General Liability/Umbrella Insurance.** The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.

**4.3 Professional Liability Insurance.** Contractor shall maintain professional liability insurance appropriate to Contractor's profession performing work in connection with this Agreement in an amount not less than one million dollars (\$1,000,000.00) and two million dollars (\$2,000,000) aggregate covering the Contractor's errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000.00) per claim. Such insurance shall be on "an occurrence" basis.

**4.4 Pollution Insurance.** If Contractor's Work involves its transporting hazardous materials, then Contractor shall obtain and maintain Contractors' Pollution Liability Insurance of not less than two million dollars (\$2,000,000) for any one occurrence and not less than four million dollars (\$4,000,000) aggregate. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000.00) per claim. Such insurance shall be on "an occurrence" basis.

"Hazardous Materials" means any toxic or hazardous substance, hazardous material, dangerous or hazardous waste, dangerous good, radioactive material, petroleum or petroleum-derived products or by-products, or any other chemical, substance, material or emission, that is regulated, listed, or controlled pursuant to any national, state, or local law, statute, ordinance, directive, regulation, or other legal requirement of the United States.

**4.5 All Policies Requirements.**

**4.5.1 Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.4, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

**4.5.2 Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

**4.5.3 Higher Limits.** If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.

**4.5.4 Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Agency shall the right to require Contractor to provide the certificates of insurance and/or policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.

**4.6 Waiver of Subrogation.** Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.

**4.7 Contractor's Obligation.** Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

## **Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.**

**5.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.

**5.2 Scope.** Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.

**Section 6. STATUS OF CONTRACTOR.**

- 6.1 Independent Contractor.** Contractor is an independent contractor and not an employee of Agency. Agency shall have the right to control Contractor only insofar as the results of Contractor's Work and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Contractor accomplishes Work rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Contractor shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Contractor and Agency acknowledge and agree that compensation paid by Agency to Contractor under this Agreement is based upon Contractor's estimated costs of providing the Work, including salaries and benefits of employees, agents and subcontractors of Contractor.

Contractor shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Contractor's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Contractor agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Contractor shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Contractor.

- 6.2 Contractor Not Agent.** Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.
- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique professional competence, experience, and specialized professional knowledge. A substantial

inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

- 6.4 **Certification as to California Energy Commission.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.
- 6.5 **Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.
- 6.6 **Maintenance Labor Agreement.** If the Work is subject to the terms of one or more Maintenance Labor Agreements, which are applicable only to certain types of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E and/or similar documentation as to compliance.

**Section 7. LEGAL REQUIREMENTS.**

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 **Licenses and Permits.** Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.
- 7.4 **Monitoring by DIR.** The Work is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

**7.5 Registration with DIR.** During the term of this Agreement, Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform Work consistent with Labor Code section 1725.5.

**7.6 Prevailing Wage Rates.** In accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work as provided in the California Labor Code must be paid to all workers engaged in performing the Work. In accordance with California Labor Code Section 1770 and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed; the Agency has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the project; and copies of the prevailing rate of per diem wages are on file at the Agency and will be made available on request. Throughout the performance of the Work, Contractor must comply with all applicable laws and regulations that apply to wages earned in performance of the Work. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the Agency harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

Additionally, in accordance with the California Administrative Code, Title 8, Group 3, Article 2, Section 16000, Publication of Prevailing Wage Rates by Awarding Bodies, copies of the applicable determination of the Director can be found on the web at: <http://www.dir.ca.gov/DLSR/PWD/> and may be reviewed at any time.

Contractor shall be required to submit to the Agency during the contract period, copies of Public Works payroll reporting information per California Department of Industrial Relations, Form A- 1-131 (New 2-80) concerning work performed under this Agreement.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency \$50.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 *et seq.* In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

**Section 8. TERMINATION AND MODIFICATION.**

- 8.1 Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Contractor.

In the event of termination, Contractor shall be entitled to compensation for Work satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof).

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.

- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.

- 8.4 Options upon Breach by Contractor.** If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

**8.4.1** Immediately terminate the Agreement;

**8.4.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;

**8.4.3** Retain a different Contractor to complete the Work not finished by Contractor; and/or

**8.4.4** Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

**Section 9. KEEPING AND STATUS OF RECORDS.**

- 9.1 Records Created as Part of Contractor's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.



**9.2 Contractor's Books and Records.** Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.

**9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.

**9.4 Confidential Information and Disclosure.**

**9.4.1 Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as Confidential Information in accordance with this section.

**9.4.2 Non-Disclosure of Confidential Information.** During the term of this Agreement, either party may disclose (the "Disclosing Party") Confidential Information to the other party (the "Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

**9.4.3 Permitted Disclosure.** Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek

such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

**9.4.3.1** Disclosure to employees, agents, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

**9.4.3.2** Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

**9.4.3.3** Disclosure by Agency in response to a request pursuant to the California Public Records Act.

**9.4.4** **Handling of Confidential Information.** Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

## **Section 10. PROJECT SITE.**

**10.1** **Operations at the Project Site.** Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with the operations of the Agency; if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.

**10.2** **Contractor's Equipment, Tools, Supplies and Materials.** Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, will be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for

such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor's sole risk. Anything left on the Project site an unreasonable length of time after the Work is completed shall be presumed to have been abandoned by the Contractor. Any transportation furnished by Agency or, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall be solely as an accommodation and neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall have liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.

- 10.3 Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, for the performance of Work.

**Section 11. WARRANTY.**

- 11.1 Nature of Work.** In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, and that Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.
- 11.2 Deficiencies in Work.** In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor's failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction.
- 11.3 Assignment of Warranties.** Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

**Section 12. HEALTH AND SAFETY PROGRAMS.** The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all site programs established by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4.

- 12.1** Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.
- 12.2** Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.
- 12.3** Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.
- 12.4** Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.
- 12.5** Contractor shall immediately report any injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.
- 12.6** Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.
- 12.7** Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.

- 12.8 Contractor shall advise its employees and subcontractors that any employee who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.
- 12.9 Contractor shall, at the sole option of the Agency, develop and provide to the Agency a Hazardous Material Spill Response Plan that includes provisions for spill containment and clean-up, emergency contact information including regulatory agencies and spill sampling and analysis procedures. Hazardous Materials shall include diesel fuel used for trucks owned or leased by the Contractor.
- 12.10 **Work Provided Pursuant to Section 1.4.** If Contractor is providing Work to an Agency Member, SCPPA or SCPPA member (collectively "Member" solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof.

**Section 13**     **MISCELLANEOUS PROVISIONS.**

- 13.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 13.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 13.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 13.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 13.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 13.6 **Conflict of Interest.** Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place

Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

**13.7 Contract Administrator.** This Agreement shall be administered by Ken Speer, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.

**13.8 Notices.** Any written notice to Contractor shall be sent to:

SYBLON REID  
Syblon Reid Construction, Inc., Partner  
Gregory B. Cederstrom, President  
P.O. Box 100  
Folsom, CA 95763-0100

Any written notice to Agency shall be sent to:

Randy S. Howard  
General Manager  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

With a copy to:

Michael F. Dean  
General Counsel  
Northern California Power Agency  
Meyers Nave  
555 Capitol Mall, Suite 1200  
Sacramento, CA 95814

**13.9 Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.

**13.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and

supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

**13.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:

- 13.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
- 13.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
- 13.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
- 13.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
- 13.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 13.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

**13.12 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's Proposal, the Exhibits shall control.

**13.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

**13.14 Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

**13.15 No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Contractor provide Work to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this section only "Member") pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Work relating to such Member. If requested by Agency, such Member will sign the "Acknowledgement of Agreement", attached hereto as Exhibit D and incorporated herein, prior to the Contractor performing Work under the Purchase Order.

The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

SYBLON REID

Date \_\_\_\_\_

Date \_\_\_\_\_

\_\_\_\_\_  
**RANDY S. HOWARD, General Manager**

\_\_\_\_\_  
**Syblon Reid Construction, Inc., Partner  
GREGORY B. CEDERSTROM, President**

Attest:

\_\_\_\_\_  
Assistant Secretary of the Commission

Approved as to Form:

\_\_\_\_\_  
Assistant General Counsel



## EXHIBIT A

### SCOPE OF WORK

As requested by NCPA, Syblon Reid ("Contractor") shall perform routine maintenance on the structure and systems of the Northern California Power Agency ("Agency"), Agency members, SCPPA or SCPPA members, including, without limitation:

- a) Earthwork maintenance;
- b) Asphalt patch paving maintenance;
- c) Minor road maintenance;
- d) Utility easement maintenance;
- e) Concrete patching maintenance;
- f) Tunnel maintenance;

In accordance with Section 1.5 hereof, the specific scope of services and associated fee will be defined by individual Purchase Orders. Notwithstanding any other provision of this Exhibit or the Agreement, or of any Purchase Order, no Work shall be performed under this Agreement which is a "public project" as defined by Public Contract Code Section 20160, *et seq.*

## EXHIBIT B

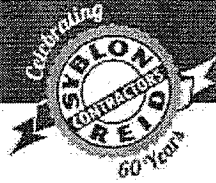
### COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all work, including hourly fees and expenses, shall not exceed the amount set forth in Section 2 hereof. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

- See rate schedule following Exhibit B

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted at the time services are requested.

NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.



# SYBLON REID

General Engineering Contractors

Providing Solutions to Difficult Projects

1130 Sibley Street P.O. Box 100 (916) 351-0457 srco@srbu.com  
 Folsom, CA 95630 Folsom, CA 95753-0100 (916) 351-1674 fax www.srco.com

## Shift 1 – Valley Northern California Power Agency

Classification	Billing Rate Fully Burdened Incl. O/H & Profit			Per Diem Rate
	Straight Time	Overtime	Double Time	
Carpenter -	104.09	131.11	158.14	100.00/Day
Carpenter Foreman -	111.29	141.02	170.75	100.00/Day
Millwright Foreman	119.95	153.62	187.30	100.00/Day
Laborer	82.09	103.17	124.25	100.00/Day
Laborer - Foreman	84.54	106.74	128.93	100.00/Day
Operator Foreman < 7	110.72	139.91	169.10	100.00/Day
Operator Group 3	107.08	135.18	163.27	100.00/Day
Operator Group 4	104.87	131.94	159.01	100.00/Day
Operator - Mech/Welder	104.87	131.94	159.01	100.00/Day
Operator Crane	110.51	140.17	169.84	100.00/Day
Cement Mason	91.37	114.32	137.26	100.00/Day
Cement Mason - Foreman	97.49	123.18	148.87	100.00/Day
Senior Project Manager w/pickup	144.51	144.51	144.51	100.00/Day
Project Manager/Supt w/Pickup	122.32	122.32	122.32	100.00/Day
Sr Project Engineer w/Pickup	96.00	96.00	96.00	100.00/Day
Project Engineer w/Pickup	92.10	92.10	92.10	100.00/Day
Safety w/Pickup	120.55	120.55	120.55	100.00/Day
CQC Personnel w/Pickup	120.55	120.55	120.55	100.00/Day



Providing Solutions to Difficult Projects

CALIFORNIA LICENSE NO. 758610  
 NEVADA LICENSE NO. 0050713



**EXHIBIT C**  
**CERTIFICATION**

**Affidavit of Compliance for Contractors**

I, Gregory B. Cederstrom, President of Syblon Reid Construction, Inc. partner of Syblon Reid

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(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of SYBLON REID

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(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.

\_\_\_\_\_  
(Signature of officer or agent)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

**EXHIBIT D – Not Applicable**

**CERTIFICATION**

**Affidavit of Compliance for Hazardous Materials Transport Vendors**

I, \_\_\_\_\_,

(Name of person signing affidavit)(Title)

do hereby certify that the below-named company has prepared and implemented security plans in conformity with 49 CFR 172, subpart I and has conducted employee background investigations in conformity with 49 CFR 172.802(a), as the same may be amended from time to time,

\_\_\_\_\_  
(Company name)

for hazardous materials delivery to:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

as required by the California Energy Commission Decision for the above-named project.

\_\_\_\_\_  
(Signature of officer or agent)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

**EXHIBIT E**

**ATTACHMENT A [from MLA]  
AGREEMENT TO BE BOUND**

**MAINTENANCE LABOR AGREEMENT ATTACHMENT  
LODI ENERGY CENTER PROJECT**

The undersigned hereby certifies and agrees that:

- 1) It is an Employer as that term is defined in Section 1.4 of the Lodi Energy Center Project Maintenance Labor Agreement ("Agreement" solely for the purposes of this Exhibit E) because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Section 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.
- 2) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and condition of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.
- 3) If it performs Covered Work, it will be bound by the legally establishes trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.
- 4) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.
- 5) It will secure a duly executed Agreement to be Bound, in form identical to this documents, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: \_\_\_\_\_

Name of Employer SYBLON REID

\_\_\_\_\_  
(Authorized Officer & Title)  
Syblon Reid Construction, Inc. Partner  
Gregory B. Cederstrom, President  
P.O. Box 100, Folsom, CA 95763

**EXHIBIT F**

**Acknowledgement of Agreement**

This Acknowledgement confirms the intent of \_\_\_\_\_, a \_\_\_\_\_ ("Member") to participate in and utilize the Multi-Task Agreement to which this Exhibit is attached, including all other Exhibits attached hereto, between the Northern California Power Agency ("Agency") and \_\_\_\_\_ ("Contractor") effective \_\_\_\_\_, 20\_\_ ("Agreement"). Member has reviewed the terms and conditions of the Agreement in detail and agrees to abide by them. It is understood and agreed that payments for Services by Contractor provided to Member shall be paid by Agency and funded by Member to Agency pursuant to a Support Services Program Agreement between Agency and Member. All invoices for Services for Member shall be addressed to Agency.

Further, Member agrees and acknowledges that the terms, conditions, and applicable Exhibits set forth in the Agreement will apply between Member and Contractor.

**MEMBER**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**CONTRACTOR**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

#116



# Commission Staff Report

**DATE:** April 13, 2016

**COMMISSION MEETING DATE:** April 21, 2016

**SUBJECT:** Schweitzer Engineering Laboratories, Inc. – Five Year Multi-Task Professional Services Agreement for Protective Relay and Automation Design Services; Applicable to the following projects: All Generation Services Plant Locations, Members, SCPPA, and SCPPA Members

**AGENDA CATEGORY:** Consent

<b>FROM:</b> Ken Speer <sup>KS</sup> Assistant General Manager	<b>METHOD OF SELECTION:</b>
<b>Division:</b> Generation Services	N/A
<i>If other, please describe:</i>	

**IMPACTED MEMBERS:**

All Members	<input checked="" type="checkbox"/>	City of Lodi	<input type="checkbox"/>	City of Ukiah	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>	Plumas-Sierra REC	<input type="checkbox"/>
Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input type="checkbox"/>	Other	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>		<input type="checkbox"/>

*If other, please specify.*

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*Place an X in the box next to the applicable Member(s) above.*



**RECOMMENDATION:**

Approve Resolution 16-31 authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Schweitzer Engineering Laboratories, Inc. for protective relay and automation design services 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, with any non-substantial changes recommended and approved by the NCPA General Counsel.

**BACKGROUND:**

Protective relay and automation design services are needed at various NCPA locations as well as member facilities for the operation of the plants. Schweitzer Engineering Laboratories, Inc. is a provider of these services.

**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.

**SELECTION PROCESS:**

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 seeks bids from as many qualified providers as possible. 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.

**ENVIRONMENTAL ANALYSIS:**

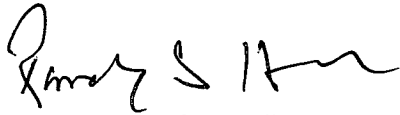
This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a “project” for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

**COMMITTEE REVIEW:**

The recommendation above was reviewed by the Facilities Committee on March 30, 2016 and was recommended for Commission approval.

The recommendation above was reviewed by the Lodi Energy Center Participant Committee on April 11, 2016 and was approved.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Randy S. Howard". The signature is fluid and cursive, with a large initial "R" and "H".

RANDY S. HOWARD  
General Manager

Attachments (2):

- Resolution
- Multi-Task Professional Services Agreement with Schweitzer Engineering Laboratories, Inc.

RESOLUTION 16-31

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING A MULTI-TASK PROFESSIONAL SERVICES AGREEMENT WITH  
SCHWEITZER ENGINEERING LABORATORIES, INC.

(reference Staff Report #143:16)

WHEREAS, protective relay and automation design services are periodically required for plant operations at the facilities owned and/or operated by Northern California Power Agency (NCPA), its members, the Southern California Public Power Authority (SCPPA), and SCPPA members; and

WHEREAS, Schweitzer Engineering Laboratories, Inc. is a provider of these services; and

WHEREAS, on April 11, 2016, the LEC Project Participant Committee approved the agreement with Schweitzer Engineering Laboratories, Inc. in an amount not-to-exceed \$1,000,000 over five years; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Schweitzer Engineering Laboratories, Inc. for protective relay and automation design services 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, with any non-substantial changes recommended and approved by the NCPA General Counsel.

PASSED, ADOPTED and APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2016 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

\_\_\_\_\_  
CAROL GARCIA  
CHAIRPERSON

ATTEST:

\_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY



**MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
SCHWEITZER ENGINEERING LABORATORIES, INC.**

This agreement for professional services ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Schweitzer Engineering Laboratories, Inc., a corporation with its office located at 2350 NE Hopkins Ct., Pullman, WA 99163 ("Consultant") (together sometimes referred to as the "Parties") as of \_\_\_\_\_, 2016 ("Effective Date") in Roseville, California.

**Section 1. SERVICES.** Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to Agency the services and goods described in the Scope of Work attached hereto as Exhibit A and incorporated herein ("Services"), at the time and place and in the manner specified therein.

- 1.1 **Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Consultant completes the Services, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 **Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.
- 1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 **Services Provided.** Services provided under this Agreement by Consultant may include Services directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 **Request for Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed ("Requested Services"), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed. Consultant shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Consultant chooses not to perform the Requested Services. If Consultant agrees to perform the Requested Services, begins to perform the Requested Services or does not respond within the seven day period

specified, then Consultant will have agreed to perform the Requested Services on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

**Section 2.**

**COMPENSATION.** Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED ONE MILLION** dollars (\$1,000,000.00) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

**2.1 Invoices.** Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Services performed;
- The Purchase Order number authorizing the Services;
- At Agency's option, the total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder; and
- At Agency's option, when the Consultant's Scope of Work identifies tasks, for each work item in each task, a copy of the applicable time entries showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency's reasonable satisfaction.

Invoices shall be sent to:

Northern California Power Agency  
651 Commerce Drive  
Roseville, California 95678  
Attn: Accounts Payable

**2.2 Monthly Payment.** Agency shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.

**2.3 Payment of Taxes.** Consultant is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement. All quoted prices are exclusive of any sales, use, value-added or similar taxes, which will be added, if applicable, at the statutory rate(s) at the time of invoicing.

**2.4 Authorization to Perform Services.** The Consultant is not authorized to perform any Services or incur any costs whatsoever under the terms of this Agreement until receipt of written authorization from the Contract Administrator.

**2.5 Timing for Submittal of Final Invoice.** Consultant shall have sixty (60) days after completion of its Services to submit its final invoice. In the event Consultant fails to submit an invoice to Agency for any amounts due within the sixty (60) day period, Consultant is deemed to have waived its right to collect its final payment from Agency.

**Section 3. FACILITIES AND EQUIPMENT.** Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Services.

**Section 4. INSURANCE REQUIREMENTS.** Before beginning any work under this Agreement, Consultant, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

**4.1 Workers' Compensation.** If Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant with limits of not less than one million dollars (\$1,000,000.00) per accident.

**4.2 Commercial General and Automobile Liability Insurance.**

**4.2.1 Commercial General Insurance.** Consultant shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Consultant. The policy shall provide a minimum limit of \$1,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

**4.2.2 Automobile Liability.** Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$1,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

- 4.2.3 General Liability/Umbrella Insurance.** The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.
- 4.3 Professional Liability Insurance.** Consultant shall maintain professional liability insurance appropriate to Consultant's profession performing work in connection with this Agreement in an amount not less than one million dollars (\$1,000,000.00) and two million dollars (\$2,000,000) aggregate covering the Consultant's errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000) per claim. Such insurance shall be on "an occurrence" basis.
- 4.4 All Policies Requirements.**
- 4.4.1 Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.
- 4.4.2 Notice of Reduction in or Cancellation of Coverage.** Consultant shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.
- 4.4.3 Higher Limits.** If Consultant maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Consultant.
- 4.4.4 Additional Certificates and Endorsements.** If Consultant provides services to Agency members, SCPPA and/or SCPPA members, Agency shall have the right to require the Consultant to provide certificates of insurance and/or policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA or Agency member for which the Services are to be performed.
- 4.5 Waiver of Subrogation.** Consultant agrees to waive subrogation which any insurer of Consultant may acquire from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Consultant, its employees, agents and subcontractors.

- 4.6 **Consultant's Obligation.** Consultant shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Services are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Consultant shall also ensure that all workers involved in the provision of Services are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

**Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES; LIMITATION OF LIABILITY.**

- 5.1 **Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

- 5.2 **Scope.** Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency and its officials, commissioners, officers, employees, and volunteers from and against any and all claims that arise out of, pertain to or relate to the negligence, recklessness or willful misconduct of the Consultant in its performance of Services under this Agreement. Consultant shall bear all losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly ("Liabilities"). Such obligations to defend, hold harmless and indemnify the Agency shall not apply to the extent that such Liabilities are caused by the negligence, active negligence, or willful misconduct of the Agency.

5.3 **Limitation of Liability.** Notwithstanding any other term in this Agreement, Consultant's liability to Agency or its insurers for any loss or damage regarding this Agreement shall be limited as follows: (i) for those claims covered by an insurance policy required under Section 4 of this Agreement, Consultant's liability shall be limited to the amount of the applicable insurance policy; and (ii) for all other claims, except those arising as a result of Consultant's violation of applicable law or patent infringement, Consultant's liability shall in no event exceed \$1,000,000 aggregate during the term of the Agreement whether as a result of breach of contract, indemnity, warranty, tort (including negligence), strict liability or otherwise. In no event, whether as a result of breach of contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, shall Consultant be liable for any special, incidental, consequential or punitive damages, including without limitation any loss of profit or revenues, loss of use of associated equipment, cost of capital, cost of substitute products, facilities, services or replacement power, downtime costs or claims of Agency's customers for such damages.



**Section 6. STATUS OF CONSULTANT.**

**6.1 Independent Contractor.** Consultant is an independent contractor and not an employee of Agency. Agency shall have the right to control Consultant only insofar as the results of Consultant's Services and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Consultant accomplishes Services rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Consultant shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Consultant and Agency acknowledge and agree that compensation paid by Agency to Consultant under this Agreement is based upon Consultant's estimated costs of providing the Services, including salaries and benefits of employees, agents and subcontractors of Consultant.

Consultant shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Consultant's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Consultant agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Consultant shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Consultant.

**6.2 Consultant Not Agent.** Except as Agency may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.

**6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique professional competence, experience, and specialized professional knowledge. A substantial

inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Agency. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Consultant shall supervise all work subcontracted by Consultant in performing the services and shall be responsible for all work performed by a subcontractor as if Consultant itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Consultant from any of its obligations under this Agreement with respect to the services and Consultant is obligated to ensure that any and all subcontractors performing any services shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

- 6.4 **Certification as to California Energy Commission.** If requested by the Agency, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

**Section 7. LEGAL REQUIREMENTS.**

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Consultant and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 **Licenses and Permits.** Consultant represents and warrants to Agency that Consultant and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.

**Section 8. TERMINATION AND MODIFICATION.**

- 8.1 **Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Consultant.

In the event of termination, Consultant shall be entitled to compensation for Services satisfactorily completed and its actual, direct, unavoidable, and reasonable expenses incurred as of the effective date of termination, which shall not include anticipated profit or overhead expenses of Consultant. Agency, however, may condition payment of such compensation upon Consultant delivering to Agency any or all records or documents, as referenced in Section 9.1 hereof.

- 8.2 **Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.

- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, and fails to cure such breach within seven (7) calendar days of written notice of such breach from Agency, Agency's remedies shall include, but not be limited to, the following:
- 8.4.1** Immediately terminate the Agreement;
  - 8.4.2** Subject to Section 9, retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
  - 8.4.3** Retain a different consultant to complete the Services not finished by Consultant; and/or
  - 8.4.4** Charge Consultant the difference between the costs to complete the Services that is unfinished at the time of breach and the amount that Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

**Section 9. KEEPING AND STATUS OF RECORDS.**

- 9.1 Records Created as Part of Consultant's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Consultant hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Consultant agree that, unless approved by Agency in writing, Consultant shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents. Notwithstanding the above, Consultant's Confidential Information (as defined below) and all intellectual property, including patents, copyrights, trademarks, trade secrets, and other proprietary information incorporated into, or provided in conjunction with, the Services (collectively, "Consultant IP") shall not be deemed "works made for hire" for Agency, Agency members, SCPPA, and SCPPA members (each a "Licensee"), and shall remain the exclusive property of Consultant. Consultant hereby grants to each Licensee a perpetual, worldwide, royalty-free, non-exclusive, non-transferable, personal, irrevocable, limited license to use, copy and modify Consultant IP for Licensee's internal business purposes, including the use, operation, maintenance, and repair of the Services and all parts or portions thereof, and including such work by Licensee's employees, agents, contractors, or consultants on such Licensee's behalf ("License"). Consultant IP

shall not be used for any other purpose without first obtaining Consultant's written consent. For the avoidance of doubt, a Licensee may assign its License in connection with the sale or other disposition of substantially all of the assets of Licensee's business or substantially all of the goods or other deliverables obtained by such Licensee under this Agreement. Notwithstanding any other provision of this Agreement, each License shall survive the termination or expiration of this Agreement.

Subject to this Section 9, Consultant shall provide Agency the original source code for any software or other electronic programming incorporated into, or provided in conjunction with, Services provided to Agency under this Agreement.

**9.2 Consultant's Books and Records.** Consultant shall maintain any and all records or other documents evidencing or relating to charges for Services or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.

**9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under the Agreement. Please note: As Consultant is a privately held company it can allow audits of time and expense projects, however, Consultant does not provide breakdown of its fixed price or lump sum contracts, and does not reveal the components that make up its hourly rate.

**9.4 Confidential Information and Disclosure.**

**9.4.1 Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as confidential Information in accordance with this section.

**9.4.2 Non-Disclosure of Confidential Information.** During the term of this Agreement, either party may disclose ("The Disclosing Party") confidential Information to the other party ("the Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

**9.4.3 Permitted Disclosure.** Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

**9.4.3.1** Disclosure to employees, agents, consultants, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

**9.4.3.2** Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

**9.4.3.3** Disclosure by Agency in response to a request pursuant to the California Public Records Act.

**9.4.4 Handling of Confidential Information.** Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

## **Section 10. MISCELLANEOUS PROVISIONS.**

**10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which

that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 10.6 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

- 10.7 Contract Administrator.** This Agreement shall be administered by Ken Speer, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.
- 10.8 Notices.** Any written notice to Consultant shall be sent to:

Schweitzer Engineering Laboratories, Inc.  
Attention: Contracts and Risk  
2350 NE Hopkins Ct  
Pullman, WA 99163-5603

Any written notice to Agency shall be sent to:

Randy S. Howard  
General Manager  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

With a copy to:

Michael F. Dean  
General Counsel  
Northern California Power Agency  
Meyers Nave  
555 Capitol Mall, Suite 1200  
Sacramento, CA 95814

- 10.9 Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.
- 10.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.
- 10.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Consultant agree to resolve the dispute in accordance with the following:
- 10.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
  - 10.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
  - 10.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
  - 10.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be

commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

**10.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

**10.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

**10.12 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Consultant's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Consultant's Proposal, the Exhibits shall control.

**10.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

**10.14 Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

**10.15 No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Consultant provide services to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this Section only "Member") pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Services relating to such Member.

## **Section 11. WARRANTY.**

**11.1 Warranty for Goods.** Consultant warrants that goods, equipment, supplies, or other materials provided pursuant to this Agreement (for purposes of this Section 11, "Goods") are free from defects in material, design, and workmanship for ten (10) years after completion or delivery of the Goods, including Consultant-manufactured control enclosure structures and panels. Such warranty shall be for ten (10) years after delivery for Fault Indicator and Sensor Division goods. This warranty is conditioned upon storage, installation, connection, operation and maintenance of Goods consistent with Consultant's manual provided to Agency in writing. If during the term of this Agreement or the applicable warranty period specified above, any Goods used or provided by Consultant under this Agreement fail due to defects in material, design, and/or workmanship or other breach of this Agreement, Consultant shall, upon any reasonable written notice from



Agency, replace, reperform, or repair the same to Agency's satisfaction. This warranty shall be void in its entirety if Agency modifies the Goods without prior written consent to and subsequent approval of any such modifications by Consultant. If any Goods fail to conform to this warranty, Agency properly notifies Consultant of such failure and Agency returns the Goods to Consultant factory for diagnosis (and pays all expenses for such return), Consultant shall correct any such failure by, at its sole discretion, either repairing any defective or damaged Goods or part(s) thereof, or making available, freight prepaid, by Consultant (Carriage Paid To (CPT) customer's place of business) any necessary replacement part(s) or Good(s). Any Goods repair or upgrade shall be covered by this warranty for the longer of one (1) year from date of repair or the remainder of the original warranty period.

**11.2 Warranty for Services.** Consultant shall perform services in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. Consultant shall reperform (or, at Consultant's option, pay a third party to reperform) any defective services at no cost upon receipt of notice detailing the defect(s) within one (1) year of performance of the original services.

**11.3 General Warranty Provisions.** TO THE MAXIMUM EXTENT PERMITTED BY LAW, THIS WARRANTY SHALL BE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED (INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE AND WARRANTIES ARISING FROM COURSE OF PERFORMANCE OR DEALING OR USAGE OF TRADE), EXCEPT TITLE AND PATENT INFRINGEMENT. Consultant shall, whenever possible, pass the original manufacturer warranty to Agency for non-Consultant products.

SIGNATURES ON FOLLOWING PAGE

The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

SCHWEITZER ENGINEERING  
LABORATORIES, INC.

Date \_\_\_\_\_

Date \_\_\_\_\_

\_\_\_\_\_  
**RANDY S. HOWARD, GENERAL MANAGER**

\_\_\_\_\_  
**[NAME, TITLE]**

Attest:

\_\_\_\_\_  
Assistant Secretary of the Commission

Approved as to Form:

\_\_\_\_\_  
Assistant General Counsel

## EXHIBIT A

### SCOPE OF SERVICES

Schweitzer Engineering Laboratories, Inc. ("Consultant") shall provide protective relay and automation design, testing and commissioning services as requested by the Northern California Power Agency ("Agency") at any Facilities owned or operated by NCPA, its Members, Southern California Public Power Authority (SCPPA) or SCPPA members.

Goods shall be provided Delivered Duty Paid (DDP) to the specified project site.

## EXHIBIT B

### COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed amount set forth in Section 2 of the Agreement. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

## Time and Expense Additional Work

Schweitzer Engineering Laboratories, Inc. (SEL) will perform additional work on an actual time and expense (T&E) basis, unless the Customer and SEL agree on other arrangements. The party identifying a potential change in scope will request the change of scope to the other in writing (fax, email, or letter). SEL will identify any budget or schedule impact and submit it for approval. SEL will proceed with the work as soon as SEL receives written approval, in accordance with established contract provisions.

Work performed on an actual T&E basis will be in accordance with the schedule of charges shown in the Rate Table (below), unless specifically modified in this proposal.

T&E Rate Table (U.S.)

Role	Weekday (per hour)	Weekday Overtime (per hour)	Saturday (per hour)	Sunday/ Holiday (per hour)	Travel (per hour)	Travel Expenses
Consultant	\$250	\$375	\$375	\$500	\$250	Actual
Principal Engineer	\$165	\$247.50	\$247.50	\$330	\$165	Actual
Senior Engineer	\$155	\$232.50	\$232.50	\$310	\$155	Actual
Program Manager Engineer V-VI Resource Manager	\$145	\$217.50	\$217.50	\$290	\$145	Actual
Engineer III-IV Project Manager II-III	\$135	\$202.50	\$202.50	\$270	\$135	Actual
Engineer I-II Project Manager I Senior Specialist	\$125	\$187.50	\$187.50	\$250	\$125	Actual
Specialist II-III	\$115	\$172.50	\$172.50	\$230	\$115	Actual
Associate Engineer Associate Project Manager Senior Designer	\$105	\$157.50	\$157.50	\$210	\$105	Actual
Technician II-III Specialist I Designer IV Project Coordinator	\$90	\$135	\$135	\$180	\$90	Actual
Technician I Designer I-III	\$80	\$120	\$120	\$160	\$80	Actual
Associate Technician Engineering Intern Drafter I-II Senior Project Administrator	\$70	\$105	\$105	\$140	\$70	Actual
Administrative	\$60	\$90	\$90	\$120	\$60	Actual

The following details apply to the T&E Rate Table:

- The price does not include any sales or use tax.
- The Customer is to reimburse SEL for actual travel expenses such as airline tickets, meals, lodging, rental car, parking, and fuel (where applicable). Airline tickets are at the coach rate to the commercial airport nearest the work site; business rates apply for international travel.
- The T&E rate is the charge per person, per hour. Typical working hours are 8 a.m. to 6 p.m., Monday through Friday. Lunch shall be up to 60 minutes with two 15-minute breaks each day. On-site work outside of typical working hours shall be agreed upon between the Customer and SEL in advance and be subjected to additional charges.
- Overtime is defined as time in excess of 8 hours per day.
- As a general rule, no SEL service personnel should be required to work more than 12 hours of any day. Should job requirements result in workloads that exceed 12 hours, the Customer and SEL must agree on other arrangements that may be subject to additional costs.
- Time spent by SEL personnel on site while waiting standby, training, or traveling to/from the site will be considered billable time.
- On-site T&E invoices will include billable project administration and project management time not performed on site.
- The hourly rates quoted include the use of personal computers loaded with Microsoft® Office, Lotus Notes®, MATLAB®, Mathcad®, AutoCAD®, MicroStation®, and SEL software used in the preparation, documentation, and processing of settings for SEL products.
- SEL does not bill for long-distance telephone, fax, low-volume copying, and document shipping charges.
- Hourly rates are valid for work performed within one year of the proposal date.
- Holidays observed for U.S. Offices include: New Year's Day (observed), Memorial Day, Independence Day (observed), Labor Day, Thanksgiving Day, Thanksgiving Friday, and Christmas Day (observed).

## Per Diem

Schweitzer Engineering Laboratories, (SEL) will perform onsite work on a per diem basis, unless the Customer and SEL agree on other arrangements. The party identifying a potential change in scope will request the change of scope to the other in writing (fax, email, or letter). SEL will identify any budget or schedule impact and submit it for approval. SEL will proceed with the work as soon as SEL receives written approval, in accordance with established contract provisions. Refer to the Per Diem Rate Table (below) for the per diem rates.

Per Diem Rate Table (U.S.)

Item	Description	Price (USD)
1	Mobilization fee per U.S. personnel	Distant (requires air travel) = \$3,500 Local (within 200 miles) = \$1,500
2	Daily rate per U.S. personnel	Weekday rate = \$1,700/day Saturday rate = \$2,550/day Sunday and holiday rate = \$3,400/day

The following details apply to the Per Diem Rate Table:

- The price does not include any sales or use tax.
- No receipts will be provided as part of the per diem rates.
- The mobilization fee is defined to include the labor and travel costs associated with transporting one person roundtrip to/from the Customer site.
- The daily rate is the charge per person, per day. Typical working hours are 8 a.m. to 6 p.m., Monday through Friday. Lunch shall be up to 60 minutes with two 15-minute breaks each day. If all the onsite work cannot be performed during typical working hours, then the daily per diem rate will be billed at 1.5 times the above rate for work performed Monday through Friday. Onsite work performed on Saturday or Sunday shall be agreed upon between the Customer and SEL in advance and be subject to additional charges.
- As a general rule, no SEL service personnel should be required to work more than 12 hours of any day. Should job requirements result in workloads that exceed 12 hours, the Customer and SEL must agree on other arrangements that may be subject to additional costs.
- Time spent by SEL personnel on site while waiting standby, training, or traveling to/from the site will be considered billable time.
- Per diem rates are valid for work performed within one year of the proposal date.
- Holidays observed for U.S. Offices include: New Year's Day (observed), Memorial Day, Independence Day (observed), Labor Day, Thanksgiving Day, Thanksgiving Friday, and Christmas Day (observed).

Consultant's Rate Escalation: Consultant may increase the rates once per calendar year by an amount not to exceed two percent (2%) per year after the first year of the Agreement. Consultant shall notify Agency of any rate increase in writing at least 30 calendar days prior to the effective date of the increase.

NOTE: As a public agency, NCPA shall not reimburse Consultant for travel, food and related costs in excess of those permitted by the Internal Revenue Service.

**EXHIBIT C**

**CERTIFICATION**

**Affidavit of Compliance for Contractors**

I,

\_\_\_\_\_

(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of

SCHWEITZER ENGINEERING LABORATORIES, INC.

(Company name)

for contract work at

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.

\_\_\_\_\_

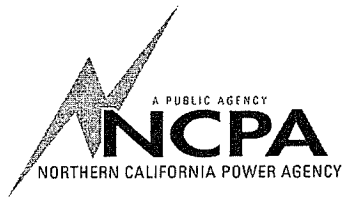
(Signature of officer or agent)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

2615990.10





# Commission Staff Report

DATE: April 12, 2016

COMMISSION MEETING DATE: April 21, 2016

SUBJECT: Approval of Advisory Services under the Lodi Single Member Services Agreement

AGENDA CATEGORY: Consent

<b>FROM:</b> Tony Zimmer Supervisor, Industry Restructuring and Interconnection Affairs	<b>METHOD OF SELECTION:</b>
Division: Power Management	N/A <i>If other, please describe:</i>
	N/A

**IMPACTED MEMBERS:**

All Members	<input type="checkbox"/>	City of Lodi	<input checked="" type="checkbox"/>	City of Ukiah	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>	Plumas-Sierra REC	<input type="checkbox"/>
Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input type="checkbox"/>	Other	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>		<input type="checkbox"/>

*If other, please specify.*

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*Place an X in the box next to the applicable Member(s) above.*

## **RECOMMENDATION:**

NCPA staff recommends that the Commission approve the Attachment A that will be attached to and made part of the Single Member Services Agreement for Special Transactions by and between Northern California Power Agency (NCPA) and the City of Lodi ("Lodi"), under which NCPA will provide Advisory Services on behalf of Lodi acting as its agent regarding management of the RE Astoria 2 PPA and Buyers Joint Project Agreement. NCPA staff also recommends that the Commission authorize the General Manager of NCPA to execute the Attachment A, on behalf of NCPA, including any non-substantive modifications approved by NCPA's General Counsel.

## **BACKGROUND:**

In accordance with the terms and conditions of the Single Member Services Agreement for Special Transactions by and between the City of Lodi and the Northern California Power Agency ("Lodi SMSA") dated July 11, 2012, NCPA may provide certain Advisory Services to Lodi. Advisory Services includes technical, economic, financial, legal, risk and credit analysis, and other advice of a professional manner.

## **ISSUE:**

Lodi has entered into a Power Purchase Agreement ("PPA") among RE Astoria 2 LLC, Southern California Public Power Authority ("SCPPA"), and other third parties, to take energy and capacity output from the RE Astoria 2 solar facility ("Project"). Lodi has also entered into the Astoria 2 Solar Project Buyers Joint Project Agreement ("Buyers Joint Project Agreement") among SCPPA, PWRPA and the other third parties, under which SCPPA shall act as the buyers' agent regarding administration of the PPA.

While SCPPA shall act as the buyers' agent for certain activities, pursuant to the Buyers Joint Project Agreement, Lodi shall remain responsible for certain roles and responsibilities as further described in the PPA and the Buyers Joint Project Agreement. Lodi has requested NCPA to act as its Agent regarding management of Lodi's obligations as set forth in the PPA and the Buyers Joint Project Agreement.

## **ADVISORY SERVICES:**

Pursuant to the Attachment A that will be attached to and made part of the Lodi SMSA, NCPA will act as Lodi's Agent for certain duties and responsibilities as specified in the PPA and the Buyers Joint Project Agreement ("Advisory Services"). Advisory Services shall include, but are not limited to: (i) contract management and administration, (ii) monitoring development, implementation and operation of the Project, and (iii) representing Lodi on the Buyers Joint Project Committee. The regular duties to be performed by NCPA are expected to include the duties further described in the Attachment A to the Lodi SMSA.

The Attachment A for Advisory Services has been attached to this staff report for your reference.

**FISCAL IMPACT:**

NCPA shall invoice Lodi for all costs associated with work performed on behalf of Lodi as described herein on a time and materials basis through the All Resources Bill.


**ENVIRONMENTAL ANALYSIS:**

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

**COMMITTEE REVIEW:**

The recommendation contained herein was reviewed by the Facilities Committee on March 30, 2016, and was recommended for Commission approval.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments: Two (2)

## RESOLUTION 16-32

### RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVAL OF ADVISORY SERVICES UNDER THE LODI SINGLE MEMBER SERVICES AGREEMENT

(reference Staff Report #144:16)

WHEREAS, in accordance with the terms and conditions of the Single Member Services Agreement for Special Transactions by and between the City of Lodi and the Northern California Power Agency ("Lodi SMSA") dated July 11, 2012, NCPA may provide certain Advisory Services to Lodi; and

WHEREAS, Lodi has entered into a Power Purchase Agreement ("PPA") among RE Astoria 2 LLC, Southern California Public Power Authority ("SCPPA"), and other third parties, to take energy and capacity output from the RE Astoria 2 solar facility ("Project"); and

WHEREAS, Lodi has also entered into the Astoria 2 Solar Project Buyers Joint Project Agreement ("Buyers Joint Project Agreement") among SCPPA, PWRPA and the other third parties, under which SCPPA shall act as the buyers' agent regarding administration of the PPA; and

WHEREAS, while SCPPA shall act as the buyers' agent for certain activities, pursuant to the Buyers Joint Project Agreement, Lodi is responsible for certain roles and responsibilities as further described in the PPA and the Buyers Joint Project Agreement; and

WHEREAS, Lodi has requested NCPA to act as its Agent regarding management of Lodi's obligations as set forth in the PPA and the Buyers Joint Project Agreement; and

WHEREAS, pursuant to an Attachment A that will be attached to and made part of the Lodi SMSA, NCPA will act as Lodi's Agent for certain duties and responsibilities as specified in the PPA and the Buyers Joint Project Agreement ("Advisory Services"); and

WHEREAS, Advisory Services shall include, but are not limited to: (i) contract management and administration, (ii) monitoring development, implementation and operation of the Project, and (iii) representing Lodi on the Buyers Joint Project Committee; and

WHEREAS, NCPA shall invoice Lodi for all costs associated with work performed on behalf of Lodi as described in the Attachment A for Advisory Services, on a time and materials basis through the All Resource Bill.

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

WHEREAS, the recommendation contained herein was reviewed by the Facilities Committee on March 30, 2016, and was recommended for Commission approval; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency adopts and approves the Attachment A that will be attached to and made part of the Single Member Services Agreement for Special Transactions by and between Northern California Power Agency and the City of Lodi, under which NCPA will provide Advisory Services on behalf of Lodi acting as its agent regarding management of the RE Astoria 2 PPA and Buyers Joint Project Agreement. The Commission of the Northern California Power Agency also authorizes the General Manager of NCPA to execute the Attachment A, on behalf of NCPA, including any non-substantive modifications approved by NCPA's General Counsel.

PASSED, ADOPTED and APPROVED this \_\_\_ day of \_\_\_\_\_, by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

\_\_\_\_\_  
 CAROL GARCIA  
 CHAIRPERSON

ATTEST: \_\_\_\_\_  
 CARY A. PADGETT  
 ASSISTANT SECRETARY

SINGLE MEMBER SERVICES AGREEMENT  
by and between the  
CITY OF LODI  
and the  
NORTHERN CALIFORNIA POWER AGENCY

ATTACHMENT A  
ADVISORY SERVICES

In accordance with the terms and conditions of the Single Member Services Agreement for Special Transactions by and between the City of Lodi and the Northern California Power Agency ("Lodi SMSA") dated July 11, 2012, Northern California Power Agency ("NCPA") may provide certain Advisory Services to the City of Lodi ("Member"). Advisory Services includes technical, economic, financial, legal, risk and credit analysis, and other advice of a professional manner. Member has requested NCPA to provide Advisory Services as described herein, and NCPA has agreed to provide such Advisory Services in consideration of the costs of such activities as described herein.

**Scope of Advisory Services**

Member has entered into a Power Purchase Agreement ("PPA") among RE Astoria 2 LLC, Southern California Public Power Authority ("SCPPA"), Power and Water Resources Pooling Authority ("PWRPA"), and the cities of Lodi, Corona, Moreno Valley and Rancho Cucamonga (collectively referred to as the "Cities"), to take energy and capacity output, including any associated renewable attributes, from the RE Astoria 2 solar facility ("Project"). Member has also entered into the Astoria 2 Solar Project Buyers Joint Project Agreement ("Buyers Joint Project Agreement") among SCPPA, PWRPA and the Cities, under which SCPPA shall act as the buyers' agent regarding administration of the PPA.

While SCPPA shall act as the buyers' agent for certain activities, pursuant to the Buyers Joint Project Agreement, Member shall remain responsible for certain roles and responsibilities as further described in the PPA and Buyers Joint Project Agreement. Member has requested NCPA to act on behalf of member as Member's Agent regarding management of Member's obligations as set forth in the PPA and the Buyers Joint Project Agreement.

Pursuant to this Attachment A, NCPA agrees to act on behalf of Member as its agent for certain duties and responsibilities as specified in the PPA and Buyers Joint Project Agreement ("Advisory Services"). Advisory Services shall include, but are not limited to: (i) contract management and administration, (ii) monitoring development, implementation and operation

of the Project, and (iii) representing Member on the Buyers Joint Project Committee. The regular duties to be performed by NCPA are expected to include the following:

- Receive communications from and provide timely response to SCPPA including, but not limited to, notices, studies, reports, and compliance status regarding Project development, construction, implementation and operation;
- Provide a monthly summary of all communications received from SCPPA and/or the Project developer to Member;
- Consult with and make necessary recommendations to Member on decisions and/or actions required pursuant to the PPA and Buyers Joint Project Agreement;
- Process any and all invoices from SCPPA on behalf of Member, to the extent applicable, in a timely manner;
- Accept on behalf of and transfer all Renewable Energy Credits (RECs) associated with the Project to Member in a timely manner; and
- Attend Committee meetings (either in person or remotely) and act as Member's authorized representative.

#### **Cost of Advisory Services**

NCPA shall invoice Member for all costs associated with work performed on behalf of Member as described herein on a time and material basis through the All Resources Bill, and by executing this Attachment A Member hereby agrees to compensate NCPA for any and all costs associated with NCPA's provision of Advisory Services described herein.

Pursuant to the terms and conditions of the Lodi SMSA and this Attachment A, the undersigned hereby approves the scope of Advisory Services described herein. The Parties have caused this Advisory Services Attachment A to be executed on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**CITY OF LODI**

**NCPA**

\_\_\_\_\_

By:

Date:

APPROVED AS TO FORM:

\_\_\_\_\_

\_\_\_\_\_

By: Randy Howard

Date:

APPROVED AS TO FORM

\_\_\_\_\_

Michael Dean, General Counsel



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## PERSONNEL POLICIES AND PROCEDURES

### THE MANUAL

This manual is designed to provide employees with top level policies and guidance for making decisions that are necessary to carry out the day-to-day business of the Agency. These Personnel Policies should not be interpreted as forming an express or implied contract or promise that the policies discussed will be applied in every case.

It is intended to achieve uniform policy interpretation throughout the Agency while allowing, wherever possible, managers and employees reasonable freedom to carry out their duties and responsibilities. The Manual is a supplement to good managerial judgment and allows for individual discretion by managers and supervisors in the good faith exercise of their responsibilities. It is anticipated that policy will generally be followed, although it is recognized that a policy is subject to exception if approval is granted from the General Manager or his delegate.

Management retains the unilateral right to alter, amend, or modify these policies at any time within its sole discretion. With respect to a policy change affecting wages, hours, or other terms and conditions of employment falling within Union's scope of representation, Management shall provide Union with notice of such a change and the opportunity to meet and confer regarding it.

#### **Manual Organization**

The manual is organized so that individual sections can be replaced as changes are approved and published. Policies are included in the body of the document. Detailed procedures where appropriate are included in the Personnel Procedures section.

## PERSONNEL POLICIES AND PROCEDURES

### 400. PURPOSE

The purpose of this manual is to provide guidance and direction for the management of Agency personnel in a manner that will be mutually beneficial for the Agency and the employees.

#### 400.1 Applicability

This manual addresses Agency personnel issues, including but not limited to, human resources costs and related expenses incurred by Agency, employees' hours of work, salaries and wages, overtime payments, leave privileges, retirement, travel, transportation, and related human resources matters for all employees.

The Commission and/or the General Manager are empowered to make exceptions to the provisions of the policies expressed in this manual in individual instances when such exceptions are in the best interest of Agency operations. The General Manager is responsible for detailed procedures where applicable. These policies contained in this manual are subject to change at any time with notice to the unions in accordance with the law.

The policies contained in this manual apply to all employees of the Agency. If there is a conflict in the guidance provided by these Policies and Procedures and the language provided in the Memorandum of Understanding (MOU) of any recognized bargaining unit, under Government Code Section 3500, such MOU terms shall be controlling.

##### 400.1.1 Administration

Purpose: To establish Agency policies and delegate to the General Manager authority for their administration and implementation.

#### **Administration of Policies**

The General Manager shall be responsible for the administration of the policies expressed in this manual. The Human Resources Manager is delegated the authority to administer these policies and develop procedures.

These policies, and any revision thereof, will be distributed to all NCPA officers and employees in either electronic or hard copy form.

#### 400.2 Agency Rights and Responsibilities

The Agency, Commission, and such persons as the Commission may authorize, have the exclusive right and responsibility in accordance with applicable laws and regulations to take certain actions including, but not limited, to the following:

- Determining the Agency purpose, budget and organization.
- Defining the duties assigned to Agency positions and classifications.
- Directing employees in the performance of their duties.

## PERSONNEL POLICIES AND PROCEDURES

- Hiring, promoting, transferring, classifying and assigning employees.
- Disciplining or dismissing employees.
- Determining and effectuating methods of implementing the foregoing.



## PERSONNEL POLICIES AND PROCEDURES

### 401. GENERAL DEFINITIONS

Definitions of general terms used throughout the manual:

#### **Agency**

Northern California Power Agency (NCPA), a joint powers agency formed under the laws of the State of California.

#### **Appointing Authority**

The Commission, General Manager or Assistant General Manager lawfully authorized to make appointments or to remove persons from positions in NCPA service, or persons designated by such appointing authority to perform those duties that legally may be delegated.

#### **“At Will” Employees**

“At Will” employees serve at the pleasure of the Appointing Authority and may be terminated without cause at any time. “At Will” employees include, but are not limited to, employees serving at the pleasure of the Commission or General Manager, Probationary employees, Provisional, Limited-term, Part-time, and Casual employees or any employee whose contract for employment makes him or her an at-will employee. Such employees have no right of appeal except as provided by law, and are not covered under Policy 411 Employee Retention: Severance Benefits for Involuntary Separation.

“At-Will” employees who are full-time and not classified as casual, part-time shall acquire service and rights with respect to leave of absence, sick leave, holidays, vacation, benefit programs, etc.

#### **Assistant General Manager**

An executive manager, reporting directly to the General Manager, assigned responsibility for a major department of the Agency.

#### **Casual Employee**

A casual employee receives only salary. No fringe benefits are paid a casual employee however; casual employees shall be afforded Sick Leave in accordance with the California “Healthy Families, Healthy Workplace Act”. In represented classes a casual employee is usually hired for six months or less to fill the immediate needs of the Agency.

#### **Classic Member**

NCPA employees hired prior to January 1, 2013 and who were participating in the California Public Employees Retirement System (CalPERS) prior to January 1, 2013.

#### **Commission**

The NCPA governing body.

Date Issued: April 24, 2016  
Date Revised:

## PERSONNEL POLICIES AND PROCEDURES

### **Continuous Service**

Agency employment in a regular position that has not been interrupted by resignation, discharge, layoff or retirement.

### **Demotion**

A change to the classification of a position or the transfer of an employee that results in an employee being assigned to a lower salary range that may result in a reduction in an employee's compensation.

### **Domestic Partner**

Domestic partners must be registered with the State of California and meet the eligibility requirements set forth in California Family Code Section 297.

### **Employee**

A person who is occupying a position (as defined below) in the Agency service or who is on an authorized leave of absence from such position.

### **Employment Date**

The date on which a regular employee began a period of continuous service with the Agency.

### **Limited Term Employee**

A temporary employee in a position established for a set term of employment on a full-time or part-time basis. Employees in these positions accrue all benefits of a regular full-time or part-time employee but are not regular employees and are not eligible for severance benefits.

### **Manager**

A person who heads a recognized division within one of the major departments of the Agency.

### **New Member**

Under the Public Employee's Pension Reform Act of 2013 (PEPRA) a new member includes:

1) a new hire who is brought into CalPERS membership for the first time on or after January 1, 2013 and who has no prior membership in any other California public retirement system, 2) a new hire who is brought into CalPERS membership for the first time on or after January 1, 2013 and who is not eligible for reciprocity with another California public retirement system or 3) a member who established CalPERS membership prior to January 1, 2013 and who is hired by a different CalPERS employer after January 1, 2013, after a break in service of greater than six months.

## PERSONNEL POLICIES AND PROCEDURES

### **Part-Time Employee**

An employee in a position established in the budget on a year-round basis requiring work on a regular schedule of less than 30 hours per week or less than 60 hours in a pay period. A part-time employee does not generally acquire service and rights with respect to leave of absence, holidays, sick, vacation leave, benefit programs or similar rights. However; part-time employees shall be afforded Sick Leave in accordance with the California “Healthy Families, Healthy Workplace Act”. Employees who work 1,000 hours or more per fiscal year may become eligible for retirement benefits through CalPERS.

### **Position**

A group of current duties and responsibilities assigned a budget authorization by the Commission requiring the on-going full-time or part-time services of one individual employee.

### **Probationary Period**

The period following the date of appointment in each authorized regular position during which the employee serves at the will or the pleasure of the Appointing Authority and may be discharged without prior notice, without cause, and without right of appeal.

### **Promotion**

The movement of an employee from one classification to another classification having a higher maximum rate of pay of at least 5%.

### **Provisional Employee**

A regular employee transferred or promoted to a new classification and serving a trial period to determine suitability for the position. The trial period shall be predetermined by the appointing authority. If during the trial period the employee is determined by the appointing authority to not be suitable to the position the employee shall be returned to the classification from which he/she was promoted or transferred if such position is available.

### **Regular Employee**

A regular employee is any employee who has satisfactorily completed a probation period and is hired for continuous service to exceed six months for which a budget authorization exists. Regular employees include full-time employees, shift employees, and employees who work 30 hours per week or more. A regular employee shall acquire service and rights with respect to leave of absence, holidays, sick leave, vacation, benefit programs or similar rights and privileges.

### **Shift Employee**

Employees whose eight, nine, ten or twelve-hour work period regularly scheduled and regularly rotated to accomplish twenty-four hour coverage, are designated as shift workers.

## PERSONNEL POLICIES AND PROCEDURES

Non-shift employees are those employees whose eight-hour work period is regularly scheduled to start between the hours of 0600 to 0900.

### **Student Employee**

Individuals employed as a Student worker are those who are hired for internships, part-time, limited term or temporary assignments designated for students. A student employee receives only salary. No fringe benefits are paid to a student employee.

### **Transfer**

The movement of an employee from a position in one class to a position in the same or sufficiently similar class (pay rate within 5%) as determined by the Human Resources Director.

### **Workday**

A continuous 24-hour period, which normally begins at 12:01 am and ends at midnight.

### **Workplace**

Any location where an employee of the Agency performs a work-related duty.

### **Workweek**

A continuous 7-day period, which normally begins Sunday at 12:01 am and ends the following Saturday at midnight. For employees working a nine-eighty (9/80) schedule, the workweek is defined as beginning and ending after the fourth (4th) hour on the Friday of the two-week 9/80 schedule.

## 402. CLASSIFICATIONS

### Administration and Use

The Agency's classification plan is utilized for decision-making concerning compensation, recruitment and selection, lines of progression, employee development, training, career advancement and other Human Resources program activities. Compensation is governed by the salary schedule, Memoranda of Understanding, and other Commission-approved documents.

The Agency's classification plan shall be under the direction of the Human Resources Manager.

### Classification of Positions

Authorized positions shall be allocated to the appropriate class in accordance with the knowledge and skills, mental effort, responsibility and accountability of its assigned duties. Positions shall be classified by the Human Resources Manager. Positions shall be allocated to the same class when their duties are sufficiently similar that:

- The same descriptive title may be used to designate each position in the class;
- The same or similar level of knowledge and skills, mental effort, responsibility and accountability and other qualifications may be required of incumbents;
- The same or similar examination and selection methods may be used to select employees;
- The same schedule of compensation may apply.

### Process

The classification process includes job analysis and documentation via a written job analysis and job description that has been reviewed and approved by the appropriate Supervisor, Manager, Assistant General Manager, and Human Resources Manager.

### Classification of New Positions

When a new position is authorized by the Commission, the Human Resources Manager will recommend the proper assignment of such position to an appropriate class in the classification plan, or when appropriate, a new class.

The position will further be subject to investigation by the Human Resources Manager, after it is occupied by an employee, to determine if the incumbent is performing the duties of the initially assigned classification.

## PERSONNEL POLICIES AND PROCEDURES

When a new position falls within a class series such as Engineer I, II, III, IV and V, the assigned classification level shall be based on the full range of duties and responsibilities associated with the said position. Most typically this will be the full journey level. If an employee is hired into the position at a level lower than the assigned classification (i.e., the position is “under-filled”), the employee may be advanced to the highest level to which the position is allocated as he/she gains experience and training and is able to perform the full range of duties. In the case of positions currently allocated to a level below the range of duties and responsibilities associated with said position or below the full journey level, subsequent to review and approval by Human Resources, the position may be relocated to the appropriate level within the same class series and the incumbent may be advanced to this level without Commission approval.

### **Changes in Classification of Existing Positions**

When any change is made within a department which significantly affects the duties and responsibilities of any position, the Manager will report these facts in writing to the Human Resources Manager. The appropriate Assistant General Manager shall approve the request for a study before it is reviewed by the General Manager. The Human Resources Manager may then make a study of the duties and responsibilities and the relationship to other classes of the affected positions.

The Human Resources Manager may study the duties of any position in a classification plan and make recommendations to the Commission for a change in class or the allocation to a more appropriate class. Classification changes for represented employees are subject to the meet and confer process.

Studies may be initiated in the following manner:

- A written request by the employee or Manager, explaining the change in duties, should be submitted for review and approval to the Manager. If approved, the Manager should forward the request to the Human Resources Manager, stating the reason for the request to review the position or positions.
- Referral from the General Manager.
- When possible authorization for new positions is indicated.
- Regular periodic maintenance of the classification plan or when the Human Resources Manager identifies a need to study an existing position.

The Human Resources Manager will review and consider all information submitted including the required duty statements. The request for a classification study will be reviewed by, and requires the approval of the General Manager. Any recommendations for executive action will be discussed with the General Manager and appropriate Assistant General Manager. Any proposed change to a classification with a higher or lower salary range shall be presented to the Commission for approval.

## PERSONNEL POLICIES AND PROCEDURES

A change of classification of an occupied unrepresented position shall affect the status of the incumbent in the following manner:

When a position moves from one class to another class and it can be clearly shown by the Human Resources Manager that the duties have evolved over a period of time without manipulation to evade the merit principles and the duties and responsibilities of the new class will be substantially the same as the incumbent has been performing in the preceding six months, the incumbent shall be granted the same status in the new class that was held in the old class.

When a position is reallocated to a class with a higher salary range, the same salary range or from one series to an unrelated series, the incumbent shall gain eligibility and seek appointment through the recruitment process which may be limited to NCPA employees only. Provided the incumbent has regular employee status, the examining process may be noncompetitive at the discretion of the Human Resources Manager.

When the position is allocated to a class in a related series with a lower salary range, the incumbent may choose to retain the position by accepting a voluntary demotion. The incumbent may also request a transfer to a position in the class from which the position was moved if a vacant position exists in the class.

### **Class Specifications**

The Human Resources Manager, in consultation with the Assistant General Manager, shall prepare a written specification for each job classification.

The specifications, when approved by the Assistant General Manager, shall constitute the official class specifications for the Agency. The official copy of the specifications for each class shall be maintained in the Human Resources Department and shall indicate the date of adoption or last revision of amendment.

Each specification shall include: the class title; a brief description of scope, nature and responsibility of the class; a description of the tasks or duties ordinarily performed in the positions allocated to the class; a statement of the minimum qualifications considered necessary for proficient performance of the work, including education, experience, knowledge, skills, and any additional factors considered pertinent.

Class specifications are not restrictive and shall not be construed as declaring that duties and responsibilities are all inclusive, shall not be changed, or that a Manager or designee may not temporarily assign other related duties and responsibilities or to otherwise direct and control the work of subordinate employees.

No person shall be appointed to any position in a regular, casual or provisional position unless that person meets the minimum qualifications or the permissible equivalency set forth in the currently approved class specifications or as determined equivalent by the Human Resources Manager for that position.

## PERSONNEL POLICIES AND PROCEDURES

Notwithstanding any other provision in this policy, if after reasonable effort, qualified persons cannot be recruited, the Human Resources Manager may authorize the filling of the position at a lower level or request that the General Manager waive the requirement.

### **402.1 Appointment**

#### **Vacancies**

When a permanent vacancy in any regular position is authorized to be filled, the Human Resources Manager shall try, whenever reasonable, to fill the vacant position with an existing NCPA employee who is the best qualified for the position. If requested by the Manager, the Human Resources Manager may open the position to application from the general public.

#### **Job Announcement**

The Human Resources Manager will publish announcements of vacancies which will state the job classification title, salary, nature of work to be performed, minimum standards of education and/or experience required, when and where to file applications and other pertinent information. Employment standards stated in the announcement shall be those established for the job classifications as approved by the appropriate Assistant General Manager.

#### **Qualification of Applicants/Examination**

The Human Resources Manager (or designee) shall be responsible for administering any testing or examination in connection with hiring for a job vacancy. Applicants must meet the minimum qualifications for the position to be considered for the vacant position. Applicants may be examined or tested only once for a posted job opening, unless the Human Resources Manager determines that circumstances warrant re-examination. The Human Resources Manager may disqualify any candidate who does not meet the minimum qualifications by the closing date or for any other legitimate reason. An applicant who is not already employed by the Agency has no right to grieve or appeal any such action by the Agency.

#### **Reinstatement After Resignation**

A former employee who held regular status in a class at the time of resignation in good standing may be appointed to a vacancy in that class or to a lower class for which the former employee is qualified. Reinstatement may take place only within three years of the effective date of the resignation. Reinstatement is subject to the discretion of the Appointing Authority at the time the former employee is re-hired. The reinstated employee may be subject to a new probationary period, at the discretion of the Appointing Authority. Reinstatement allows the rehired employee to resume vacation accrual at the rate he/she was earning at the time of separation. Under this policy, the publishing of an announcement and/or administration of an examination is not required prior to reinstatement.

#### **Transfer**

An employee holding regular status in a position may transfer to another position in the same job class or a different job class, as long as the position is at equal or lower salary grade level. Transfer is subject to the discretion of the Appointing Authority. The publishing of an



## PERSONNEL POLICIES AND PROCEDURES

announcement and/or administration of an examination is not required prior to transfer. The Appointing Authority may also initiate a transfer.

### **402.2 Probationary Period**

#### **New Employees**

Every new regular employee, except “At-Will” employees, shall serve a probationary period of not less than twelve months unless the General Manager establishes a longer period. The probationary period may be extended by the Assistant General Manager for up to twenty-four months with the approval of the General Manager. The General Manager may designate any new or vacant (non-union) position as “at will” for future new, promoted, or transferred employees.

The probationary period is required as part of the testing process and shall be utilized for observing closely the employee’s work, for securing the most effective adjustment of a new employee to his/her position, and for terminating any employee whose performance does not meet the required standards of work.

During the probationary period, an employee serves at the will or pleasure of the Appointing Authority and may be terminated at any time without cause or prior notice and without right of appeal. A probationary employee does not have the rights described under the Discipline Policy.

#### **Promoted or Transferred Employees**

Every promoted or transferred Regular employee who is not hired as an “at will” employee (\*see first paragraph) shall serve as a probationary employee in the new position for a period of not less than twelve months unless the General Manager establishes a longer period because the duration of the required training is such that it is not possible to adequately evaluate performance within a twelve month period. No extension of the probationary period beyond twelve months shall be valid without the prior written approval of the General Manager.

The probationary period is required as part of the testing process and shall be utilized for observing closely the employee’s work and for securing the most effective adjustment of the promoted or transferred employee to his/her new position. Promoted or transferred employees rejected during the probationary period may revert to their previously held classification/line of progression, if a vacancy exists.

### **402.3 Employment of Relatives**

Notwithstanding the Agency’s policy not to discriminate on the basis of marital status, the Agency retains the right to:

- Refuse to place one’s spouse, domestic partner, partner who is cohabitating with the employee due to a romantic relationship, or immediate family member under the direct supervision of the employee when the placement has the potential for creating an adverse impact on supervision, safety, security or morale.

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- Refuse to place both spouses, domestic partners, cohabitating partners, or immediate family members in the same facility, work unit, department or division where it has the potential for creating an adverse impact on supervision, safety, security or morale, or involves potential conflicts of interest.
- Refuse to employ a spouse, domestic partner, cohabitating partners, or immediate family member in the Agency where the other spouse, domestic partner, or immediate family has access to Agency material such as human resources, payroll or strategic planning matters, and there is no practical way to prevent the appearance of a conflict of interest due to access to such confidential information. The Agency may also transfer or terminate the employment of one or both spouses, domestic partners, cohabitating partners, or family members in the event that a potential or actual conflict of interest develops while both parties are employed at the Agency.
- All potential conflicts resulting from the types of relationships above shall be referred to the Human Resources Manager for review.

### 402.4 Pre-Placement and Annual Physical Examinations

#### **New Employees**

The physical requirements of jobs will be determined, and job-related standards will be developed and implemented, by the Agency. New employee candidates for safety-sensitive, high level financial or confidential positions must take and successfully pass a pre-placement medical examination including drug and alcohol screening on the candidate's own time, at Agency expense. If a medical examination results in disqualification, a candidate or employee may submit independent medical opinions (at his/her own expense) for consideration by the Agency before a final determination on disqualification is made.

#### **Regular Employees**

Employees may be required to take and successfully pass a fitness for duty examination which may include an alcohol and drug test at the Agency's expense and on Agency time, when the Agency has reasonable cause to believe that the employee's health and/or physical or mental condition may impair the employee's ability to do the assigned work, or pose a risk to the health or safety of others with whom the employee works, or to the public. Drug and alcohol testing of existing employees will be conducted in a manner consistent with the Agency's procedures set forth at P407.7.

If an employee has a disability, recognized under applicable law, the employee should so notify the Agency. For employees who have such disabilities, the Agency will engage in an interactive process to determine whether there is a reasonable accommodation which would enable the disabled employee to perform the essential duties of the job.

If action is proposed which would adversely affect an employee's employment or status as a result of said fitness for duty examination, the employee has the right to obtain a second examination by a physician of his/her choice selected from a panel of two or more physicians

## PERSONNEL POLICIES AND PROCEDURES

provided by the Agency at no cost to the employee. Medical examination records available to the Agency shall be considered prior to the Agency proceeding with any adverse action.

### **Annual Physicals**

Employees in classes designated by the Human Resources Manager or MOU are subject to annual physical examinations including but not limited to hearing, respirator testing and use, if appropriate.

### **402.5 Personnel Files**

Personnel files are maintained on each employee of the Agency. The personnel files are considered confidential and access is limited to management personnel, including but not limited to, the employee's Supervisor, Manager, Assistant General Manager, General Manager, and Human Resources staff, unless otherwise authorized by law.

Medical records are confidential and are maintained separately from an employee's personnel file. Access to medical records is restricted to the subject employee and Human Resources, medical staff, and management with a "need-to-know" basis, unless otherwise authorized by law.

Current employees may request in writing to inspect and/or receive a copy of their personnel files at reasonable intervals upon thirty (30) days advance notice to the Agency. Current employees may be required to review their personnel files during non-work hours. Former employees may request in writing to inspect and/or receive a copy of their personnel files upon thirty (30) days advance notice to the Agency. Former employees shall be limited to one (1) such request per calendar year. Both current and former employees shall be charged the Agency's standard rate per page for copying of personnel records. Both current and former employees may verbally request an Agency-provided form with which to make their written request to inspect and/or obtain copies of their personnel files.

The Agency may preclude inspection of certain information in accordance with law, such as background and other pre-employment information and materials relating to confidential investigations.

### **402.6 Reference Checks**

Following the Agency's determination that an applicant meets the minimum employment qualifications, as stated in any notice issued for the position for which the applicant applied, and prior to making a job offer, reference, background and in certain cases credit checks must be conducted either by the hiring Manager or by the Human Resources Department. Prior to conducting these checks, the individual must have signed the Pre-Offer Information Release Authorization (part of the NCPA application form).

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### 403. COMPENSATION

Delineate Commission policies related to compensation for employees and provide the General Manager authority to propose and administer NCPA salary plans and policy.

#### 403.1 Compensation Plan

All Agency employees shall receive compensation as approved by the Commission. Non-union employees shall receive the compensation provided in the Administrative and General Wage Structure (“Structure”). Classifications are assigned to pay grades listed in the Structure.

Represented employees shall receive the compensation as provided by the IBEW Local 1245 and Hydroelectric Employees Wage Schedules. Represented employees’ compensation is subject to the meet and confer requirements of the Meyers-Millais-Brown Act.

#### 403.2 Salary Ranges

Non-union employees’ Compensation Plan Structure and ranges will be reviewed and updated as necessary based on marketplace survey data, NCPA’s financial condition and other relevant factors.

#### 403.3 Salary Increase Following Completion of Probation

Upon satisfactory completion of probation, an employee not represented by a union, may be eligible for a salary increase, based on performance, position in grade, and timing in relation to the annual merit pay increases.

#### 403.4 Annual Structure Adjustment

NCPA’s salary structure for non-union employees may be adjusted annually based on market and cost of living data and other relevant factors as provided in the annual budget and approved by the Commission.

#### 403.5 Performance Pay

On an annual basis, each regular or probationary employee shall receive a performance evaluation. Each employee not covered by a Memorandum of Understanding may receive a salary increase if the probation period has been completed. Individual pay amounts will be determined based on the compensation program.

#### 403.6 Wages

Wages are to be paid at biweekly intervals on Fridays for a two-week payroll period. The Agency has the discretion to provide paychecks earlier (e.g. on Thursdays) when possible. If the regular payday falls on a holiday, payment will be made on the preceding workday.

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An employee shall be paid the wage established for his or her classification. An employee who has accumulated sufficient time in a classification having a time progression and who has satisfied the training program requirements is eligible to be advanced to the next step in such classification until he or she received the maximum rate thereof. The “wage progression” of an employee who is absent on unpaid leave for more than ten (10) consecutive work days will be delayed by a period of time equivalent to such leave of absence. The “wage progression” of an employee in a beginning or other training classification who is absent for more than twenty-five (25) consecutive days due to illness or injury and is receiving sick leave with pay, will be delayed by the period in excess of twenty-five (25) consecutive work days.

### 403.7 Temporary Upgrade

Any non-union employee who is temporarily assigned the full range of duties and responsibilities of a higher class for periods of fifteen (15) consecutive working days or more shall be paid at the minimum salary for the higher class or five percent higher than his or her then current salary, whichever is greater.

All temporary upgrades of non-union employees must be approved by the appropriate Assistant General Manager. Any temporary upgrade that exceeds thirty (30) working days must be approved by the General Manager. A temporary upgrade should not exceed one year in duration unless special circumstances warrant.

### 403.8 Transportation

The Agency will, at its discretion, provide transportation for Agency personnel conducting Agency business. An employee may, with specific authorization, use his/her personal vehicle and will be reimbursed at a rate to be annually established by the Agency based on the IRS mileage rate for work-related travel expenses. Employees who use personal vehicles for business must meet the following requirements:

1. The employee must have a valid California driver’s license.
2. The employee must have in force and provide proof of personal liability (PL) and property insurance (PD) on the vehicle to be used. This insurance must be at least the minimum for PL/PD prescribed by law.
3. The vehicle must be adequately maintained and be in proper safe working order.
4. The employee must ensure all occupants of the vehicle wear seat belts.

If an employee uses a vehicle for Agency business, the employee is subject to the Agency conducting periodic verification of the employee’s driver’s license, auto insurance and driving record. Employees are required to report any accident which occurs while conducting Agency business within four hours of the accident to their Manager or AGM. Employees are required to report any suspension or revocation of their driver’s license to their Manager within five calendar days of such suspension or revocation. (See Administrative Policy on business travel

## PERSONNEL POLICIES AND PROCEDURES

and related safety procedures for more information on vehicle use.)

Whether an employee is using an Agency-provided vehicle or his/her personal vehicle while on Agency business, all Agency employees are required to obey all traffic laws while operating that vehicle, including but not limited to, prohibitions against texting and talking on cell phones without a hands-free device. Violations of traffic laws while either operating an Agency-provided vehicle or personal vehicle while on Agency business may form the basis for disciplinary action against the employee.

[Please refer to Agency policy re\\_“Vehicle Use for Business Purposes a copy of which is included as P403.8”](#)

### 403.9 Employee Salary Authorization

Each year the General Manager will propose for Commission approval a salary budget that will include amounts sufficient to implement base pay, salary increases, adjustment to the structure for wage inflation, overtime, temporary help, etc. The budget will normally be based on authorized positions and/or any other special conditions and is approved by the Commission.

The General Manager is authorized to pay salaries in accordance with these policies to employees in an amount not to exceed the amount approved by the Commission.

The General Manager is authorized to establish such administrative rules as are necessary to implement the salary plan subject to the limitations of the approved salary budget, and the compensation plan structure.

In the event a downward adjustment of a position grade assignment indicates a reduction in the established salary of an employee, the General Manager may, in his/her discretion if circumstances warrant, continue the salary of such an employee in an amount in excess of the revised grade limit for a reasonable and specified period of time. Such interim salary rates shall be defined as “Y rates”.

### 403.10 Overtime Compensation

“FLSA Non-Exempt” employees are entitled to overtime compensation (1.5 times the employee’s regular rate of pay) for hours worked over 40 hours in a workweek as provided by the federal Fair Labor Standards Act (“FLSA”). If a workweek contains non-work hours such as sick leave or vacation, those non-work hours do not count toward the calculation of overtime. The Agency designates as “FLSA Exempt” those employees who work in professional, executive, administrative, or certain computer-related capacities. Employees designated as “FLSA exempt” are not entitled to overtime compensation under the “FLSA”. Except when necessary to address an emergency or special circumstances, employees who are entitled to overtime compensation under the law may not work outside of regularly scheduled working hours, or more than 40 hours in a workweek, without the prior authorization of their supervisor. Performing unauthorized overtime work may subject an employee to disciplinary action. Employees shall report emergency overtime work as soon as possible after the work is performed. “FLSA Non-Exempt” employees may accrue compensating time off in lieu of receiving overtime pay. Please see the Procedures Section P403.10 for more information and the required form.

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### 403.11 Additional Leave

All non-union employees who are in an “FLSA exempt” status shall receive sixty (60) hours “Additional Paid Leave” each calendar year. This leave is pro-rated for new hires and is available for use during a new hire’s probationary period. If an employee is on a leave of absence at the time this leave is normally granted, it is not granted until he/she returns to work. Additional leave is not carried over into the next calendar year.

In addition to the above sixty (60) hours of leave, non-union, exempt employees in salary grades 22 and above shall receive an additional twenty (20) hours of leave due to the additional time that employees at these levels must work at night and on the weekends.

Employees may be authorized additional paid leave in eight (8)-hour increments to a maximum of forty (40) hours to recognize the employee’s accomplishments, efforts, performance, and extra hours worked as determined by the Assistant General Manager and General Manager. These exceptions must be requested in writing with justification and once granted by the General Manager are available in the calendar year in which they were granted.

### 403.12 Reimbursement for Relocation Expenses

#### **New Employees**

The General Manager is authorized to approve reimbursement for travel and relocation expenses for a new employee in a management, professional, administrative, or major supervisory position, or in another classification, where, because of a shortage of qualified persons, it is necessary to recruit outside of the area. All relocation and related travel expenses must be returned in full to the Agency if employee is terminated or leaves the Agency within one year from the employee’s starting date.

Procedures and forms are either provided upon request by the Human Resources Office or they may be located in the Procedures section.

#### **Transferred Employees**

The Agency may pay the allowable relocation expenses of employees who are transferred from one permanent duty station to another by and at the request of the Agency, at the discretion of the General Manager, whose approval must be obtained prior to relocation.

Procedures and forms are provided upon request by the Human Resources Office.

### 403.13 Performance Evaluation

#### **Performance Planning:**

Each employee, working with his/her Manager or supervisor, will prepare a written performance plan which includes goals, if applicable. Performance plans are prepared as follows:

## PERSONNEL POLICIES AND PROCEDURES

- When a regular employee is initially hired or appointed to a new job classification, and
- Annually.

### **Performance Evaluation:**

Each Manager will prepare, in writing, a performance evaluation for each of his/her employees. Performance evaluations will be prepared in the following instances:

- When an employee has worked an initial twelve month period in his/her new regular job classification (this applies not only to newly hired employees, but also to employees who have been promoted or otherwise transferred to a new position).
- Annually, at the end of each year.
- When an employee is promoted, demoted, transferred or merit advancement is recommended.

The contents of performance evaluations are not subject to the grievance or the appeal process.



## 404. WORK HOURS

### 404.1 Employee Work Hours

Normal working hours for non-union non-shift employees are eight-hour work periods regularly scheduled to start between the hours of 0600 to 0900, Monday through Friday. The work hours are set in accordance with the above by each Manager. Each non-union, non-exempt employee is allowed a one-hour unpaid lunch period and two fifteen minute break periods, one each in the morning and afternoon. If not taken, such rest period is waived. The rest period may be interrupted or cancelled if necessary to complete work and shall be compensated time. The rest periods may not be combined or used to shorten the workday – e.g., by taking a break at the beginning or end of the workday, however the lunch period may be reduced to thirty minutes, (with prior Manager approval) for individual circumstances or for longer term situations when approved in writing by the Assistant General Manager.

### 404.2 Alternative Work Week (4-10 and 9-80 Work Schedules)

Each Assistant General Manager, as delegated by the General Manager, has the authority, within constraints of appropriate staffing, to authorize a regular work schedule for some non-union positions consisting of four (4) ten (10) hour days for any of their employees or a nine-eighty (9-80) schedule consisting of eight (8) nine (9) hour days and one (1) eight (8) hour day in a work period.

Any schedule established for an employee under this policy may be canceled or temporarily suspended at any time if it is determined by the Assistant General Manager not to be in the best interest of the Agency. Alternative work schedules shall be reported in writing to the Human Resources Manager upon the approval of the Assistant General Manager.

### 404.3 Flex-Time

#### Flexible Schedule

Each Manager, as delegated by the General Manager, has the authority to authorize a flexible work schedule that provides for any employee to work forty hours per week and eight hours per day, Monday through Friday.

Under this plan, an employee must work the core hours of 9:00 AM through 3:00 PM daily.

Any schedule established for an employee under this policy may be canceled or temporarily suspended at any time if it is determined by the Assistant General Manager not to be in the best interest of the Agency.

## PERSONNEL POLICIES AND PROCEDURES

### 404.4 Attendance Standards

Regular attendance is required of employees. Employees are required to report on time and observe their assigned work schedules. If an employee is unable to report to work for any reason, or arrives late to work, or must leave early, the employee must notify the work unit supervisor or, in his/her absence, the Manager before starting time or be subject to disciplinary action. To seek authorization, notification should be made by telephoning the supervisor, and if the employee does not reach him/her then by email or text.

### 404.5 Resignation

An employee who voluntarily resigns from employment with NCPA in good standing must submit his/her resignation to his or her Manager at least two weeks prior to the scheduled departure so that an orderly transition can be made. This includes turning in NCPA property, completing required forms, obtaining appropriate clearances, and having an exit interview.

Once a written resignation is received by Human Resources, it becomes effective, and it is irrevocable except the General Manager may, in his/her discretion, permit a resignation to be rescinded.

Employees who retire are requested to provide ninety (90) days written notice. Please see the related Procedure section for more information on retirement.

### 404.6 Absence Without Notice

Any employee absent for three (3) consecutive working days without being on authorized leave shall be assumed to have resigned his/her employment, unless otherwise determined by the Manager. The Agency shall give notice of such automatic resignation. Except for at-will and probationary employees, regular employees who are separated from Agency service by automatic resignation may appeal to the General Manager within five (5) calendar days of the Notice of Automatic Resignation.

Nothing in this section shall limit the Manager's authority to discipline or dismiss an employee due to an unauthorized absence.

### 404.7 Exit Interview

Separating employees may be interviewed so that information will be gathered that will assist the Agency to ensure a quality environment through improving supervision, coaching, management, working conditions and the work environment.

### 405. BENEFITS

The Agency provides a wide variety of health and income protection benefits for Agency employees. General descriptions of the plans follow. For details, contact the Human Resources Office.

#### **Eligibility**

Employees are eligible to enroll in the benefit plans described below (unless otherwise specified in this manual) upon appointment as a full-time Regular or Probationary Employee in accordance with specific plan requirements.

#### **Responsibility**

The Human Resources Manager is responsible for the administration of benefit plans. Each benefit is paid by the Agency or by employee payroll deductions.

#### **405.1 Medical Plans**

Health insurance plans are available through the California Public Employees' Retirement System Health Benefit Program (CalPERS). Employees have a choice of Preferred Providers (PPO's) and Health Maintenance Organizations (HMO's). Plan descriptions are available online through CalPERS website.

Health insurance for eligible employees and eligible dependent(s) is paid by the Agency up to the monthly limit established by the Agency. Depending on the type and level of coverage selected by the employee, the employee may be required to make a contribution towards payment of health insurance via payroll deduction. A cash-out option is also available for employees with other medical plan coverage.

#### **405.2 Dental Insurance**

Dental insurance for eligible employees and eligible dependents is self-funded and paid by the Agency. Forms and plan details are available in the Human Resources Office.

#### **405.3 Short (STD) and Long-Term Disability Insurance (LTD)**

Short and Long-term disability is provided and premiums are paid by the Agency for eligible employees. This benefit pays 60 percent of insured monthly earnings up to a specified maximum amount, reduced by income received from other sources (i.e., State Disability Insurance, retirement benefits, retirement disability benefits, Workers' Compensation, Social Security). The Benefit Waiting Period for employees varies. Please see Human Resources for plan details. Accrued sick leave pay is integrated with all disability benefits to which the employee is entitled but will not exceed monthly base pay.

## PERSONNEL POLICIES AND PROCEDURES

### 405.4 State Disability Insurance (SDI)

#### **State Disability Insurance**

Agency employees (with certain exceptions) are covered by State Disability Insurance (SDI). The cost of the insurance is paid by the employee through payroll deductions. SDI provides short-term benefits to eligible workers who suffer a loss of wages when they are unable to work due to a non-work-related illness or injury, or a medically disabling condition from pregnancy or childbirth. Accrued sick leave pay is integrated with SDI benefits received by the employee but it will not exceed biweekly base pay.

#### **Paid Family Leave Benefits**

Employees who are covered by SDI are eligible for Family Temporary Disability Insurance (FTDI) benefits while taking care of a newborn child, or a newly placed adopted or foster child, or taking care of a family member with a serious health condition. These benefits are paid by the State Employment Development Department, not the Agency, and must be applied for by the employee.

### 405.5 Retirement Plan

#### **CalPERS**

The Agency has contracted with CalPERS for retirement benefits for eligible employees. The Agency pays contributions into CalPERS for such benefits based on the employee's pay rate. Employees are also required to make contributions toward their retirement benefit.

Eligibility requirements for employees and plan details can be found in the CalPERS website or they are available from Human Resources. For employees who are planning on retiring from the Agency, see the procedure regarding retirement.

### 405.6 Deferred Compensation Plan

#### **IRS Section 457**

The Agency contracts with the ICMA Retirement Corporation to provide deferred compensation programs to allow "classic" and "new member" employees to save and invest through payroll deductions. Under section 457 of the Internal Revenue Code, "Classic" and "New Member" employees may defer taxes on a portion of their income in accordance with IRS regulations. Participation is handled through pre-tax payroll deductions.

#### **IRS Section 401(a)**

"New Members" under CalPERS may save and invest through pre-tax payroll deductions through an ICMA administered IRS Money Purchase Plan. New members have a one-time option at the time of hire to defer a portion of their income into this plan. The Agency may also make a contribution to this plan based on the amount approved in the budget.

## PERSONNEL POLICIES AND PROCEDURES

Enrollment and plan details are available through the Payroll department.

### 405.7 Retirement Health Insurance

Retirement medical insurance is provided, with the premium paid by the Agency as described below. To be eligible for Agency paid health insurance (medical) premiums upon retirement:

- 1) The employee must have retired from the Agency after working for NCPA for at least five years if hired before 2009, have reached either the age of 50 or have been retired earlier; and the employee must have retired under CalPERS within 120 days after separation from employment, with eligibility for the health plan at the time of separation. Under this vesting option, retiring employees will receive an employer contribution up to the monthly employer premium limit established by the Agency, for the retiree and spouse or domestic partner, or for either the surviving spouse or surviving domestic partner.
- 2) For those hired after January 1, 2009, or who elect this vesting option: employees must have worked for the Agency for at least five years, have at least 10 years total CalPERS service and be age 50 or above (see Government Code 22893) to receive the following percent of the employer's family medical insurance contribution-Credited Years of Service Percent of Employer Contribution

Credited Years of Service	% of Employer Contribution
10.....	50%
11.....	55%
12.....	60%
13.....	65%
14.....	70%
15.....	75%
16.....	80%
17.....	85%
18.....	90%
19.....	95%
20 or more.....	100%

An employee under the vesting schedule above with 20 years or more of service with NCPA at the time of retirement; regardless of the number of days after separation from employment that retirement begins, shall be eligible for up to 100% of the Agency's established monthly contribution (\*subject to the Agency's maximum medical plan contribution.) If a retiree/spouse selects an insurance plan that exceeds the maximum monthly contribution, the retiree/spouse shall pay the difference.)

## PERSONNEL POLICIES AND PROCEDURES

### 405.8 Basic Life Insurance

Group term life insurance for represented employees is provided for by the Agency. (See respective MOU for details). Non-union employees not covered by a MOU are eligible for coverage by insurance equal to approximately three times their base salary up to the specified maximum amount under the plan. See plan documents for more details.

### 405.9 Vision Care

Vision care insurance is provided for the employee and dependents by the Agency. See plan documents for more details.

### 405.10 Educational Leave and Tuition Reimbursement

Solely at the Agency's discretion, the Agency may provide an educational leave and tuition reimbursement to eligible employees with the Human Resources Manager's written approval. The Agency may choose to reimburse expenses for tuition, required books, and parking fees incurred by an employee up to an established maximum as determined by the Agency. The employee must successfully complete the class(es) at an accredited college, university or approved specialized training group. Such educational or training program must be related to the job duties of a position at the Agency and must be approved in advance by Human Resources upon recommendation of the employee's Assistant General Manager or Plant Manager.

An employee may request a reimbursement of funds for education or training purposes subject to the approval of the Human Resources Manager or designee. Reimbursement may be granted for tuition, required books and parking fees. Other expenses including but not limited to supplies, CLEP exam or equivalent auditing or challenging classes, parking tickets, late fees, etc. may not be reimbursed or advanced. To receive reimbursement, the employee must present evidence that each course is satisfactorily completed with a grade of "C" or better within three weeks of completion of the course(s). The Agency's Procedure shall govern implementation of the policy.

### 405.11 Flexible Spending Accounts (FSAs)

Employees are eligible to participate in Flexible Spending Accounts (FSA) offered by the Agency. Participation is voluntary, and employees must sign up every year to participate. NCPA offers two types of FSAs:

#### Health Care FSA:

In this FSA account, an employee may set aside a specified amount on a pre-tax basis each pay period during the calendar year. An employee may use account contributions for expenses that are not covered or are only partially covered by the insurance plans. See Human Resources or plan website for more details.

## PERSONNEL POLICIES AND PROCEDURES

### Dependent Care FSA:

A dependent care FSA allows an employee to set aside money on a pre-tax basis to pay for eligible expenses associated with the care of a dependent child or adult. Examples of eligible expenses include: day care/after-school care for children under age 13, nursery school expenses, day care for an incapacitated spouse, or dependent parent who lives with the employee. See Human Resources or plan website for more details.

### 405.12 Long-Term Care Insurance

Long-term care is the extended care an employee, employee's spouse or parents, parents-in-law, and/or siblings may need when, because of a chronic illness, injury or frailty of old age, help is required with basic activities like bathing, dressing, or eating. CalPERS offers several plan choices that range from comprehensive coverage to nursing home/ assisted living facility only plans. Participation in long-term care is voluntary, and the employees or their enrolled family members pay for the premiums. Long-term care plans are portable and can be continued even if the employee changes job, or moves out of state. See Human Resources or CalPERS Long Term Care website for more details.

### 405.13 Employee Assistance Plan

The Employee Assistance Plan provides assistance and referrals to counseling for employees and their dependents dealing with issues relating to marital and family problems, substance abuse, depression, emotional difficulties, children's behavioral issues, stress, grief or domestic violence. Full time employees and their eligible dependents receive coverage on the first of the month following the date of hire. Contact Human Resources for more details.

## PERSONNEL POLICIES AND PROCEDURES

### 406. LEAVES OF ABSENCE

The following leaves of absence are provided by the Agency for eligible employees. The Human Resources Manager is responsible for the administration of leave benefits. Represented employees' leave benefits are also contained in appropriate MOU's.

#### 406.1 Holidays

The following are recognized holidays with pay:

New Year's Day	Martin Luther King Day (non-union staff only*)
President's Day	Memorial Day
Independence Day	Labor Day
Veteran's Day	Thanksgiving Day
Day after Thanksgiving	Christmas Day

In the event any of the recognized holidays falls on a Sunday, the following Monday shall be considered the holiday. In the event any of the recognized holidays falls on a Saturday, the preceding Friday shall be considered a holiday. (\*Not including Dispatch and Scheduling employees.)

#### 406.2 Floating Holidays

In addition to the Agency recognized holidays, each regular, non-union employee will receive two floating holidays per calendar year. Floating holidays may be taken any day during the calendar year by giving two weeks' notice, provided the absence creates no significant disruption of Agency operations. The Agency may limit the number of employees who take a floating holiday on a given day. New hires receive floating holidays upon hire, prorated for the remainder of the calendar year.

Floating holidays are not carried over into the next calendar year.

#### 406.3 Vacation Leave

##### Accrual of Vacation

Annual accrual of vacation is as follows:

Years of Service	Hours accrued per year	8 Hour Days per year
0 – 4	80	10
5 – 8	120	15
9+	160	20



## PERSONNEL POLICIES AND PROCEDURES

### Holidays During Vacation

Any holiday occurring during a scheduled vacation shall be considered a holiday and not vacation.

### Maximum Accrual: Deferral of Vacation Leave

Employees may only accrue up to a maximum of two and one-half times the annual accrual level for which the employee is eligible. For example, an employee with less than four years of service with the Agency may accrue a maximum of two hundred (200) hours of vacation. If the employee does not take vacation when the maximum accrual is reached, the employee will not accrue any additional vacation. Employees are cautioned to monitor their accrued vacation hours to ensure they do not reach the maximum allowable limit for which they are eligible.

Under extraordinary circumstances, and upon written request to the General Manager, the General Manager may approve temporary vacation accruals in excess of these limits.

### Vacation Sell Back

Subject to management approval, all regular employees may sell back up to one hundred twenty (120) hours of unused, accrued vacation once in a calendar year provided that they maintain a minimum balance of eighty (80) vacation hours and they have taken at least forty (40) hours of vacation, compensating time off or additional paid leave (Policy 403.11) in the last twelve months. When employees “sell back” vacation hours, they shall be paid for those vacation hours in a lump sum.

### Scheduling Vacation

Vacations must be scheduled in advance and be approved in advance by the Manager. The notice to your Manager should be at least equal to the time off requested or as determined by your Manager.

### Voluntary Vacation Transfer

Employees may voluntarily transfer vacation to an employee experiencing a medical emergency, including a serious health condition of a family member, who has exhausted all accrued leave time in order to cover the employee's absence from work. See Human Resources for details.

### 406.4 Sick Leave

Regular, limited term and “at will” full-time employees shall be provided with sick leave, earned on an hourly basis and computed at the rate of 3.70 hours per pay period, with no limit on the amount that may be accumulated.

Casual and part-time employees shall be afforded Sick Leave in accordance with the California “Healthy Families, Healthy Workplace Act”.

## PERSONNEL POLICIES AND PROCEDURES

Sick leave is not a “right”. Sick leave may be used only in cases of actual sickness, disability, or for medical, dental or vision treatment, or to attend to the illness of a family member, child, parent, spouse, or domestic partner as authorized below.

Sick leave pay is integrated with SDI, workers’ compensation benefits, and short and long term disability benefits to which the employee is entitled, but pay will not exceed monthly base pay.

Under the CalPERS Retirement Plan, accrued sick leave may also be credited as time worked when an employee retires within 120 days of his/her termination date. Employees are allowed to take a cash payment for accumulated sick leave in the event of separation due to permanent disability or disability retirement with CalPERS.

Sick leave use exceeding six (6) days (or 48 hours) in a year for the same illness or injury, or that exceeds the employee’s accrued sick leave balance (whichever occurs first) may require the employee to be placed on a medical leave of absence under the Agency’s policies regarding medical leaves, FMLA/CFRA leaves, or pregnancy disability leave (where applicable).

Up to one-half (48 hours) of an employee’s sick leave allotment accrued in a calendar year may be used by the employee to attend to an illness of: child, parent, spouse or registered domestic partner, grandparent, grandchild, or sibling. (Note: The definition of a covered family member under FMLA/CFRA/Medical Leave differs.) Sick leave may also be used for an employee who is the victim of domestic violence, sexual assault or stalking. Such time off shall be noted as Family Sick Leave on the timesheet. . . Sick leave will be charged by the hour with no charge made for increments of less than one half hour.

The General Manager or employee’s Manager may request the employee to provide written proof of illness from a licensed physician for any period charged as sick leave. The General Manager or employee’s Manager may also request authorization to return to work from a licensed physician before an employee may return following any period charged as sick leave.

Please refer to the Procedure section for more details on sick leave use.

A new employee may, if necessary, take an advance of up to forty-eight (48) hours of unearned sick leave at any time during the first six months of employment. Any negative balance generated by such utilization will be charged against a future accrual of sick leave. An employee’s accrued sick leave shall coordinate with any approved medical or pregnancy leave of absence.

### 406.4.1 Sick Leave for Casual and Part-time Employees

An eligible casual or part-time employee earns one hour of sick pay for every 30 hours worked beginning either July 1, 2015 or, if hired after July 1, on the employee’s first day of work. Both regular and overtime hours are counted toward the accrual rate of one hour for every 30 hours worked. Employees exempt under the administrative, executive or professional exemption are deemed to work 40 hours a week, but if they don’t, accrual will be based on their normal workweek.

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Eligible casual and part-time employees cannot start using accrued sick days until the 90th day of employment, after which the employee can use paid sick leave as it is accrued.

Sick leave may be used only in cases of actual personal sickness, disability, or for medical or dental treatment. Accrued paid sick days can carry over to the following year of employment. But, the amount of paid sick days an employee can use in each year of employment is limited to 24 hours (three days). In addition, the employee's total accrual amount is capped at 48 hours (six days). The carry-over provision allows an employee to have paid sick days available at the start of the next calendar year, depending on how much has already been used and accrued.

Accrued sick leave may be used for an existing health condition or preventive care for the employee or a "family member". A family member is defined as a child, parent, spouse or registered domestic partner, grandparent, grandchild, or sibling. *(Note: the definition of a covered family member for FMLA/CFRA/Medical Leave differs.)* It may also be used by an employee who is a victim of domestic violence, sexual assault or stalking.

Accrued sick leave may be used by providing either an oral or written request to the employee's supervisor. If the need is foreseeable, the employee must provide advance notice. The minimum increment for paid sick leave is one hour.

Upon termination of employment, accrued sick leave is not paid to the employee. However, if the employee is reinstated within one year, the rehired employee will be allowed to use the previously accrued sick days, and will begin accruing additional paid sick days upon rehire as a casual or regular employee.

### 406.5 Medical Leave

In the event of a nonjob-related injury or illness that exceeds six (6) days (48 hours) during which the employee is unable to work, or which exceeds the amount of accrued sick leave (whichever occurs first) and a FMLA/CFRA leave is not available to the employee, a medical leave of absence without pay may be granted within the Agency's discretion. Accumulated sick leave must be used concurrently during a medical leave for the employee's own injury or illness. In order to receive approval for an unpaid medical leave of absence which does not qualify under FMLA/CFRA, the leave must be medically necessary for the employee or family member and the patient must be under the care of a physician. Leave may also be granted for employee organ/bone marrow donation. A written request must be submitted to the Agency through the employee's Manager and must be accompanied by a medical certification signed by the physician verifying the medical necessity, duration of the injury/illness, and inability to return to work.

Medical leaves of absence (which do not qualify for FMLA/CFRA benefits) may be granted for a period up to thirty (30) calendar days at a time, during which period NCPA will maintain the employee's health insurance. Extensions may be granted on a month-to-month basis within the discretion of the Agency. The employee must make a written request for extension of medical

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leave accompanied by a medical certification signed by a physician verifying the medical necessity for the extension of leave.

Written authorization to return to work from a licensed physician is required before an employee may return to work following a medical leave.

Employees may be required to use accrued paid leave benefits in conjunction with a medical leave to care for a family member. The employee shall not accrue sick leave or vacation time while on medical leave unless the employee is using accrued sick or vacation pay concurrent with the medical leave.

The employee shall not work in any other job while on a medical leave of absence and if this occurs, the employee may be subject to disciplinary action up to and including immediate termination.

### 406.6 Family and Medical Leave Under the Family and Medical Leave Act (FMLA) and California Family Rights Act (CFRA)

The Agency will provide unpaid family and medical care leave for eligible employees in accordance with the requirements of the FMLA and CFRA. Rights and obligations which are not specifically set forth below are set forth in the law and regulations implementing the FMLA and CFRA.

Eligibility: In order to qualify for Family and Medical Leave, the employee must meet the following conditions: (1) The employee must have been employed by the Agency for twelve (12) months; (2) The employee must have actually worked at least 1,250 hours during the twelve (12) month period immediately before the date when the leave begins. If an employee is employed but is on leave, any time spent on leave shall not count towards the 1,250 hours.

Type of Leave Covered: Family and Medical Leave is a leave taken:

- (1) In order to care for a newborn son or daughter, or for placement of a child for adoption or foster care,
- (2) In order to care for a spouse, domestic partner, child or parent with a serious health condition, or
- (3) Because of a serious health condition that makes the employee unable to perform the functions of the employee's position.
- (4) Any qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a covered military member on "covered active duty." (See Section 406.61 below.)

Definitions for purposes of this policy:

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- (1) “12-Month Period” means a rolling twelve (12) month period measured backward from the date leave is taken and continuous with each additional leave day taken.
- (2) “Child” means a child under the age of 18 years of age, or 18 years of age or older who is incapable of self-care because of mental or physical disability. An employee’s child is one for whom the employee has actual day-to-day responsibility for care and includes a biological, adopted, foster, stepchild, or child of a domestic partner.
- (3) “Parent” means a biological parent of an employee or an individual who stood in loco parentis (in place of the parent) to an employee when the employee was a child. This term does not include parents-in-law.
- (4) “Spouse” means a husband or wife as defined or recognized under California state law for purposes of marriage.
- (5) “Domestic partner” means domestic partner as defined under California Family Code section 297.
- (6) “Serious health condition” means an illness, injury or impairment, or physical or mental condition that involves:
  - Inpatient care (i.e., overnight stay) in the hospital, hospice, or residential medical care facility, including any period of incapacity (i.e., inability to work or perform other regular daily activities due to the serious health condition, treatment involved or recovery there from); or
  - Continuing treatment by a health care provider: A serious health condition involving continuing treatment by a health care provider includes any one of or more of the following:
    - A period of incapacity (i.e., inability to work, or perform other regular daily activities due to serious health condition of more than three (3) consecutive calendar days, and any subsequent treatment or period of incapacity relating to the same condition), that also involves:
    - Treatment two or more times by a health care provider, by a nurse or physician’s assistant under direct supervision by (e.g., a physical therapist) under orders of, or on referral by, a health care provider; or
    - Treatment by a health care provider on at least one occasion which results in a regiment of continuing treatment under the supervision of the health care provider.

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- Any period of incapacity due to pregnancy or for prenatal care. (Pregnancy disability is included as FMLA leave, but not CFRA leave). Under California law, an employee disabled due to pregnancy is entitled to pregnancy disability leave up to a maximum of four months. After the pregnancy disability ends, the employee is entitled to additional CFRA bonding leave up to a maximum of twelve (12) weeks.
- Any period of incapacity or treatment for such incapacity due to a chronic serious health condition. A chronic serious health condition is one which: (i) required periodic visits for treatment by a health care provider, or by a nurse or physician assistant under extended period of time (including recurring episodes of a single underlying condition); and (ii) may cause episodic rather than continuing period of incapacity (e.g., asthma, diabetes, epilepsy, etc.). Absences for such incapacity qualify for leave even if the absence lasts only one day.
- A period of incapacity which is permanent or long-term due to a condition for which treatment may not be effective. The employee or family member must be under the continuing supervision of, but need not be receiving active treatment by a health care provider.
- Any period of absence to receive multiple treatments (including any period of recovery there from) by a health care provider of health care services after an accident or other injury, or for a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical intervention or treatment.

**Amount of Leave:** Eligible employees are entitled to a total of twelve (12) weeks of leave during a twelve (12) month period. Twelve (12) weeks means the equivalent of twelve (12) of the employee's normally scheduled work weeks. For eligible employees who work more or less than five (5) days a week or who work alternative work schedules, the number of working days that constitute twelve (12) weeks is calculated on a pro rata or proportional basis. In addition, the FMLA provides up to twenty six (26) workweeks of leave during a single 12-month period to care for a covered service member with a serious injury or illness if the eligible employee is the service member's spouse, son, daughter, parent, or next of kin (military caregiver leave). (See Section 406.61 below.)

**Duration of Leave:** If leave is requested for the birth, adoption or foster care placement of a child of the employee, basic leave must be concluded within the first year of the birth or placement of the child.

**Spouses or Domestic Partners Both Employed by the Agency:** When spouses and /or domestic partners are both employed by the Agency and are both entitled to leave, the combined number of weeks of leave to which both may be entitled may be limited to twelve (12) weeks during a twelve (12) month period if leave is taken for the birth or placement for adoption or foster care of the employee's child (i.e., bonding leave.) This limitation does not apply to any other type of leave under this policy.

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**Intermittent Leave or Leave on a Reduced Work Schedule:** If an employee requests leave intermittently (a few days or hours at a time) or on a reduced leave schedule to care for an immediate family member with a serious health condition, the employee must provide medical certification that such leave is medically necessary. “Medically necessary” means there must be a medical need for the leave and that the leave can best be accomplished through an intermittent or reduced leave schedule. The leave may not exceed a total of twelve (12) weeks over a twelve (12) month period.

**Substitution of Paid Accrued Leaves:** Leave under this policy is unpaid. However, an employee may elect or be required to concurrently use accrued sick leave while on Family and Medical Leave as follows:

If FMLA/CFRA-qualifying leave is taken for the employee’s own serious health condition, the employee will be required to use all accrued and available sick leave prior to going on unpaid status.

If FMLA/CFRA-qualifying leave is taken for any other purpose, the employee may elect to use all accrued and available sick leave prior to going on unpaid status.

If FMLA/CFRA-qualifying leave is taken for any purpose, the employee may elect to use accrued and available vacation leave prior to going on unpaid status.

For an employee going on pregnancy disability leave (PDL), an employee will be required to use all accrued and available sick leave prior to going on unpaid status. The employee may elect to use accrued and available vacation leave prior to going on unpaid status.

In any instance in which an employee elects to use accrued and available sick or vacation leave prior to going on unpaid status, the employee is required to provide reasonable advance notice to the Agency of his/her election to use the paid leave benefit prior to going on unpaid status.

When on leave of absence, employees are required to apply for disability benefits under any plan or programs for which they are qualified. If during any FMLA, CFRA or PDL leave an employee is receiving some form of income replacement payment, including but not limited to, State Disability Insurance (SDI), Paid Family Leave (PDL), Short Term Disability (STD), Long Term Disability (LTD), or Worker’s Compensation, the Agency and employee may mutually agree (but the employee shall not be compelled) that employee will use available paid leave benefits (i.e., sick, vacation, PTO, or CTO) to supplement the income replacement payment up to 100% of the employee’s regular wages.

If an employee takes a leave of absence for any reason which is FMLA/CFRA qualifying, the Agency will designate that non-FMLA/CFRA leave as running currently with the employee’s 12-week FMLA/CFRA leave entitlement.

**Payment of Health Insurance Premiums While on Leave:** While an employee is on Family and Medical Leave, the Agency shall maintain the employee’s health insurance coverage on the same conditions as if the employee has been continuously employed during the entire leave period. If the employee’s leave is unpaid, the Agency shall maintain the employee’s health coverage for non-pregnancy related leaves for a maximum of twelve (12) weeks in a twelve (12) month period, unless the employee requests and the Agency’s General Manager agrees, to

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extend coverage beyond that period. For pregnancy disability leaves, the Agency will maintain the employee's health insurance coverage for up to the full four (4) months of leave as well as for any additional "bonding" leave taken under the CFRA up to the twelve (12) weeks maximum available for such leave.

**Medical Certification:** Employees who request leave for their own serious health condition, or to care for a child, parent, spouse or domestic partner who has a serious health condition, must provide written certification from a health care provider of the individual requiring care.

If the leave is requested because of the employee's own serious health condition, the certification must include a statement that the employee is unable to work at all or unable to perform the essential functions of his/her position. In cases where employees request intermittent leave, employees must submit medical certification, which states that such intermittent leave is needed due to the employee's serious health condition.

**Time to Provide a Certification:** When an employee's leave is foreseeable, the employee must provide the medical certification within thirty (30) days before the leave begins. When this is not possible, the employee must provide the requested certification within the time frame requested by the Agency, which in no event shall be less than fifteen (15) days from the commencement of the leave.

**Consequences for Failure to Provide an Adequate or Timely Certification:** If an employee fails to timely provide a medical certification or provides an incomplete medical certification, the Agency may delay the taking of FMLA/CFRA leave until the required certification is provided.

**Recertification:** If the Agency has reason to doubt the validity of a medical certification provided by an employee regarding his/her own health condition, the Agency may require a medical opinion of a second health care provider chosen and paid for by the Agency. If the second opinion is different from the first, the Agency may require the opinion of a third provider jointly approved by the Agency and the employee, but paid for by the Agency. The opinion of the third provider will be binding. An employee may request a copy of the health care provider's opinions when there is recertification. When the need for leave exceeds 12 weeks due to intermittent leave, an employee will be required to recertify when requested.

**Procedures for Requesting Leave:** All employees requesting leave under this policy must submit proper Family and Medical Leave forms to the Human Resources Manager. Although the Agency recognizes that emergencies arise which may require employees to request immediate leave, employees are required to give as much notice as possible of their need for leave. If leave is foreseeable, at least thirty (30) days' notice is required. In addition, if any employee knows that he/she will need a leave in the future, but does not know the exact date(s) (e.g., for the birth of a child or to take care of a newborn), the employee shall inform his/her Manager as soon as possible that such leave is needed. Such notice must be submitted in writing. If the Agency determines the notice of the employee is inadequate or the employee knew about the requested leave in advance of the request, the Agency may delay the granting of the leave until it can, in its discretion; adequately cover the position with a substitute.

**Accrual of Benefits While on Leave:** Employees will not accrue benefits while in an unpaid leave status, including seniority rights, vacation and sick leave accrual.



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**Reinstatement Upon Return From Leave:** Upon the expiration of leave, or notice of the employee's early return from leave, an employee is entitled to be reinstated to the position of employment held when the leave commenced, or to an equivalent position with equivalent employment benefits, pay and other terms and conditions of employment. Employees have no greater rights to reinstatement, benefits and other conditions of employment than if the employee had been continuously employed during the Family and Medical Leave period.

**Employee's Obligation to periodically Report on His/Her Condition:** Employees may be required to periodically report on their status and intent to return to work. This will avoid any delays in reinstatement when the employee is ready to return.

**Fitness for Duty Certification:** As a condition of reinstatement of an employee whose leave was due to the employee's own serious health condition, which made the employee unable to perform his/her job, the employee must obtain and present a fitness-for-duty certification from the health care provider that the employee is able to resume work. Failure to provide such certification may result in denial of reinstatement.

**Failure to Return From Leave:** If an employee uses Family and Medical Leave and fails to return to work for the Agency, the Agency may recover its share of health care premiums paid on behalf of the employee while the employee was on leave. The Agency reserves the right to seek reimbursement from the employee by any legal means.

**Other Employment:** The employee shall not work in any other job while on a medical leave of absence, and if this occurs, the employee may be subject to disciplinary action up to and including immediate termination.

**Student Employee:** Individuals employed as Student workers are those who are hired for internships, part-time, limited term or temporary assignments designated for students. A student employee receives only salary. No fringe benefits are paid to a student employee.

### **406.61 Military Caregiver Leave (FMLA)**

An employee may take FMLA leave to care for a family member who is a member of the Armed Forces who is undergoing medical treatment, recuperation or therapy for a serious injury or illness incurred in the line of duty while in active duty in the Armed Forces.

#### **Definitions**

“Covered service member” means a member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness.

“Serious injury or illness” means an injury or illness incurred by the service member in line of duty on active duty in the Armed Forces that may render the service member medically unfit to perform the duties of the service member's office, grade, rank or rating.

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“Outpatient status” means the status of a service member assigned to (a) a military medical treatment facility as an outpatient; or (b) a unit established for the purpose of providing command and control of members of the Armed Forces receiving medical care as outpatients. “Next of kin” means the nearest blood relative of the service member.

### Eligibility Criteria

An employee who is a spouse, domestic partner, son, daughter, parent or next of kin of a covered service member is eligible for this leave if the employee has worked at least one year of Employer service and has worked at least 1,250 hours of actual hours worked during the 12-month period immediately preceding the commencement of the leave. (This length of service requirement is the same as for FMLA leave).

The service member’s medical condition must warrant the participation of the employee to provide supervision or care during the entire period of leave.

### Length of Leave Permitted

An eligible employee shall be entitled to up to a maximum of 26 workweeks of leave during a 12-month period to care for the service member. This leave shall only be available during a single 12-month period. During this single 12-month period, the employee shall be entitled to a maximum combined total of 26 workweeks of leave for both this type of leave and FMLA leave. However, this shall not limit the availability of FMLA leave during any other 12-month period.

Leave under this section may be taken intermittently or on a reduced leave schedule if circumstances warrant. The rules for requesting intermittent leave or leave on a reduced leave schedule are the same as those for FMLA leave.

### Notice

The notice requirements for this leave are the same as the notice requirements for FMLA leave.

### Certification

The employer shall require that an employee’s request for leave be supported by written certification from the Armed Forces regarding the medical condition of the service member. The employer shall follow the Department of Labor’s guidelines regarding such certifications. When such certification is required by the employer, such requirement shall be submitted to the employee in writing. In addition, the employee will be required to certify the care he/she will provide the service member and the estimated duration of the period of care.

If additional leave is requested upon expiration of the leave granted, or should circumstances of the leave change, the employer may, at its discretion, require the employee to obtain recertification. Such requests for subsequent recertification shall be in writing. The certification or recertification requirements for this leave are the same as the requirements for FMLA leave.

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### Reinstatement After Leave Ends

An employee who has been granted this type of leave shall be returned to the same or an equivalent position when the need for the leave or the leave period ends. The rules regarding reinstatement are the same as those for reinstatement after a FMLA leave.

### Use of Accrued Paid Leave

The “use of accrued paid leave” rules for this leave are the same as those for FMLA leave.

### Continuation of Health Benefits

This leave qualifies as leave under the FMLA and the rules for continuation of health benefits are the same as those for FMLA leave, i.e., the employee shall be entitled, if eligible, to continue participation in health plan coverage (medical, dental and optical) as if on pay status for a period of up to 12 workweeks in the leave year. However, an employee who exhausts his or her entitlement to health plan coverage while on this leave shall not be entitled to any additional 12 workweeks of health plan coverage under the FMLA. Other group insurance coverage and retirement benefits shall be continued in accordance with the provisions of the applicable group insurance and retirement system regulations.

### **406.62 “Qualifying Exigency” Leave Relating to a Family Member’s Military Service**

An employee may take FMLA leave to attend to any “qualifying exigency” arising out of the fact that the spouse, son, daughter or parent of the employee is on active military duty or has been notified of an impending call or order to active military duty in the Armed Forces.

#### “Qualifying Exigency”

The following are general categories of qualifying exigencies:

- (a) Short-notice deployment – to address any issue that arises due to a covered military member being notified of an impending call to active duty seven or less calendar days prior to the date of deployment.
- (b) Military events and related activities - to attend any official ceremony, program, or event sponsored by the military and to attend family support and assistance programs and informational briefings sponsored or promoted by the military, military service organizations, or the American Red Cross that are related to the active duty or call to active duty status of a covered military member.
- (c) Childcare and school activities - to arrange childcare or attend certain school activities for a child of the covered military member, who is either under age 18, or age 18 or older and incapable of self-care. This leave may be taken to arrange for alternative childcare, to provide urgent, immediate, non-routine childcare, to enroll the child in a new school or day care facility, or to attend meetings with

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staff at a school or a day care facility (e.g., disciplinary meetings, parent-teacher conferences, meetings with school counselors).

- (d) Financial and legal arrangements - to make financial or legal arrangements to address the covered military member's absence while on active duty or call to active duty status, such as preparing and executing financial and healthcare powers of attorney, transferring bank account signature authority, obtaining military identification cards, or preparing or updating a will or living trust. The leave can also be used for acting as the military member's representative for purposes of obtaining, arranging, or appealing military service benefits while the covered military member is on active duty or call to active duty status, and for the 90 days after the termination of the covered military member's active duty status.
- (e) Counseling - to attend counseling provided by someone other than a healthcare provider for oneself, for the covered military member, or for the child of the covered military member who is either under the age of 18 or age 18 or older and incapable of self-care, provided that the need for counseling arises from the active duty or call to active duty status of a covered military member.
- (f) Rest and recuperation - to spend time with a covered military member who is on short-term, temporary rest and recuperation leave during the period of deployment. Eligible employees may take up to five days of leave for each instance of rest and recuperation.
- (g) Post-Deployment activities - to attend arrival ceremonies, reintegration briefings and events, and any other official ceremony or program sponsored by the military for a period of 90 days following the termination of the covered military member's active duty and to address issues that arise from the death of a covered military member while on active duty status, such as meeting and recovering the body of the covered military member and making funeral arrangements.
- (h) Additional activities - to address other events which arise out of the covered military member's active duty or call to active duty status provided that the employer and employee agree that such leave shall qualify as an exigency, and agree to both the timing and duration of such leave.

### Eligibility Criteria

To be eligible for such leave, an employee must satisfy all of the following criteria:

- (a) Be a spouse, son, daughter or parent of a covered service member; and
- (b) Have worked at least one year of employer service and have worked at least 1,250 hours of actual hours worked during the 12-month period immediately preceding the commencement of the leave. (This length of service requirement is the same as for FMLA leave).

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### Length of Leave Permitted

Upon receipt of the written request for leave of this type, the employer, in its sole discretion, shall determine the length of leave permitted for the individual employee up to a maximum of twelve workweeks in a 12-month period. The employer may require additional information from the employee to aid in the determination of the length of leave permitted. The employer shall notify the employee in writing regarding the length of leave permitted.

Leave may be taken on an intermittent or reduced schedule basis.

### Certification Required

The employer may require the employee to provide a copy of the covered military member's active duty orders, and may require the employee to provide a certification describing the facts regarding the qualifying exigency for which the leave is requested, the beginning and end dates of the qualifying exigency, and other relevant information. Upon receipt of this information, the employer will notify the employee whether the request for leave is granted, or whether more information is needed before the request is granted.

### Use of Accrued Paid Leave

The "use of accrued paid leave" rules for this leave are the same as those for FMLA leave.

### Continuation of Health Benefits

The rules for continuation of health benefits are the same as those for FMLA leave, i.e., the employee shall be entitled, if eligible, to continue participation in health plan coverage (medical, dental and optical) as if on pay status for a period of up to 12 workweeks in the leave year.

### **406.63 Leave During Family Member's Military Leave**

This leave is provided in compliance with California Military & Veterans Code section 395.10. This leave allows an employee who is a spouse of a member of the Armed Forces, National Guard, or Reserves up to ten (10) days unpaid leave during a qualified leave period when the employee's spouse or domestic partner is home on leave from a period of military conflict.

### Eligibility Criteria

To be eligible for such leave, an employee must satisfy all of the following criteria:

- (a) Be a spouse of a "qualified member" (defined below);
- (b) Perform services for the employer for an average of 20 or more hours per week;
- (c) Provide the employer with notice, within two business days of receiving official notice that the qualified member will be on leave from deployment, of the employee's intention to take the leave; and

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- (d) Submit written documentation to the employer certifying that the qualified member will be on “qualified leave” (defined below) from deployment during the entire period of the leave requested by the employee.

### Definitions

“Qualified member” means a person who is any of the following:

- (a) A member of the Armed Forces of the United States who has been deployed during a period of military conflict to an area designated as a combat theater or combat zone by the President of the United States;
- (b) A member of the National Guard or Reserves who has been deployed during a period of military conflict.
- (c) A member of the Reserves who has been deployed during a period of military conflict.

“Period of military conflict” means either of the following:

- (a) A period of war declared by the United States Congress, or
- (b) A period of deployment for which a member of a reserve component is ordered to active duty, as defined in Military & Veterans Code section 395.10.

“Qualified leave” means the period during which the qualified member is on leave from deployment during a period of military conflict.

### Length of Leave Permitted

An eligible employee shall be entitled to up to a maximum of ten (10) days of unpaid leave during a “qualified leave period” (defined above).

### Use of Accrued Paid Leave

The “use of accrued paid leave” rules for this leave are the same as those for FMLA.

### **406.7 Bereavement Leave**

It is the policy of the Agency to provide regular and probationary employees with a leave of absence with pay for twenty-four hours in the event of a death in the employee’s family. Sixteen hours additional leave, chargeable to sick leave, may be granted an employee by the General Manager when necessary. For the purpose of this section, family is defined as: spouse, domestic partner, parent, parent-in-law, foster parent, child, stepchild, brother, sister, half-brother or half-sister, daughter-in-law, son-in-law, brother-in-law, sister-in-law, grandparent, grandparent-in-law, grandchild, or more distant relative if residing in the household of the employee. Consistent with the operational needs of the Agency, an employee may be granted paid leave, not to exceed one day (8 hours), to attend the funeral of a person the employee may be deemed to owe respect.

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### 406.8 Jury Duty and Subpoena

Employees required to serve on jury duty will be granted a leave of absence with pay from their assigned duties until released by the court. To be eligible for full base pay the employee must remit to the Agency all fees received from such duties, other than mileage or subsistence allowed, or if fees are not received from such duties written proof of service is required, within five days following the service of jury duty to payroll.

In those instances where employees are witnesses on behalf of, or at the request of the Agency in any court proceeding, or who are subpoenaed in any court proceeding by a third party to appear on behalf of or in support of the Agency, they shall be entitled to leave with pay for those hours reasonably necessary to serve as a witness, provided the employee remits to the Agency all fees received from such duties, other than mileage or subsistence, or proof of service within five days from the time the employee appears as a witness.

In all other court matters, the employee must obtain approval from the Agency before taking time off. "Court" is defined as the judicial branch of government which is responsible for the resolution of disputes arising under the laws of the government. Such time off will be treated as leave without pay or vacation if the employee has accrued vacation time available.

### 406.9 Military Leave

Military leave shall be granted as provided by applicable federal and state law. Employees on military leave shall accrue sick leave, vacation, and seniority for the first 180 days of military duty, in accordance with state law. After the first 180 days of military duty, employees shall not continue to accrue such benefits unless otherwise expressly provided by Agency policy.

#### Leave for Military Spouses

In accordance with California law, an employee who (i) is employed more than 20 hours a week, (ii) is the spouse of a member of the Armed Forces of the United States of America on active duty or the spouse of a Reservist or member of the National Guard who has been called to active duty; (iii) and whose spouse has been deployed during a period of military conflict, is eligible for up to ten (10) days of unpaid leave during any period the employee's spouse is on a qualified leave from his/her deployment.

Employees seeking such leave must provide his/her immediate supervisor with written notice of his/her intention to take such leave within two (2) business days of receiving notice that his/her spouse will be on a qualified leave from deployment.

Employees may elect to use accrued and unused Vacation Pay in lieu of taking the leave unpaid.

#### Civil Air Patrol Leave

An employee who has been employed by the Agency for at least ninety (90) days, and who is a volunteer member of the California wing of the Civil Air Patrol, is permitted up to a total of ten (10) days of unpaid leave in a calendar year for purposes of responding to an emergency

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operational mission of the California wing of the Civil Air Patrol. Leave for purposes of responding to an emergency operational mission of the California wing of the Civil Air Patrol shall be limited to three (3) days for any single mission unless an extension of time is granted by the governmental entity that authorized the emergency operational mission, and the extension of the leave is approved by the Company.

An employee seeking to take leave for this purpose shall provide as much advance notice as possible regarding the beginning and ending dates of the emergency operational mission.

The Agency will require employees taking leave for this purpose to provide certification from the proper Civil Air Patrol authority to verify the eligibility of the employee for the leave requested or taken. The Agency may deny the employee eligibility for Civil Air Patrol leave unless such certification is provided.

### 406.10 Time Off to Vote

Time off with pay to vote in any general or direct primary election will be granted as provided by state law. Employees must give prior notice to their immediate supervisor of their need to take such time off to vote, in accordance with state law.

### 406.11 Authorized Leave of Absence

A regular employee may be allowed leave of absence without pay for emergency, substantial personal; or other reasons that are required by law. Any leave of absence requested must be recommended by the appointing authority and approved by the General Manager or his designee and such approval shall be based on the nature of the emergency, the estimated length of the leave and the staffing needs of the Agency.

### 406.12 Pregnancy Disability Leave

The Agency will provide pregnancy disability leave to eligible employees in accordance with applicable law. An employee who is disabled by pregnancy may take a maximum of four (4) months off work for pregnancy disability, childbirth, or related medical conditions. The employee also may be eligible for intermittent leave or a reduced work schedule during her pregnancy if medically necessary. Employees must notify their Manager of any medical restrictions caused by the pregnancy. The Agency may require that the employee provide a medical certification indicating there is a medical need for the employee to take the time off or receive accommodation while continuing to work. Pregnancy disability leave qualifies for leave under the FMLA but not under CFRA. During pregnancy disability leave, employees are entitled to FMLA benefits in accordance with the Family and Medical Leave policy.

The employee must provide a written request for pregnancy disability leave to her Manager 30 days prior to the beginning of the leave period, whenever possible. The request for leave should indicate the intended date the leave will begin and estimated date of return to work. Managers should forward these requests to the Human Resources department for approval.



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### 406.13 Parents' Leave to Participate in School Activities

In accordance with state law, employees who are parents, guardians or grandparents of children in kindergarten through grade 12 may take up to forty (40) hours per year, not exceeding eight (8) hours in a month to participate in the child's school activities. Employees may use unpaid (leave) or paid leave such as vacation for this purpose. Employees must request leave with the Manager in advance and may be required to use accrued paid leave. In addition, employees are entitled to use leave to appear at the school of his/her child or child of a domestic partner if requested to do so by a school administrator to address matters of pupil discipline.

### 406.14 Administrative Leave

An employee whose work conduct is being investigated or who is given written notice of a proposed disciplinary action may be suspended with pay or temporarily reassigned without loss of pay for the period during which the investigation is pending or between the date notice of proposed disciplinary action is given and the date that disciplinary action is imposed.

### 406.15 Organ or Bone Marrow Donation Leave

Employees are entitled to up to thirty (30) business days of paid leave during any twelve (12) month period for purposes of organ donation and up to five (5) business days of leave during any twelve month period for purposes of bone marrow donation.

The twelve (12) month period during which your leave entitlement is measured shall be measured from the first day of your leave for one of the above purposes commences.

In order to take leave for one of the above purposes, you must provide the Agency with a written verification that you are an organ or bone marrow donor and that you are taking leave for the purpose of providing a medically necessary organ or bone marrow donation.

Leave taken for one of the above purposes shall not be considered a break in service for purposes of accruing such things as vacation or sick leave and shall be considered continuous service of purposes of any salary adjustments to which you may be entitled.

As a condition for taking leave under this section, you will be required to use up to five (5) days of accrued vacation or sick leave for leave taken for the purpose of providing a bone marrow donation and up to two weeks of accrued vacation or sick leave for leave taken for the purpose of providing an organ donation.

Leave taken under this section shall not count against your FMLA or CFRA leave entitlement.

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### 406.16 Leave for Duties or Training as a Volunteer Firefighter, Reserve Peace Officer, or Emergency Rescue Personnel

If an employee is serving as a volunteer firefighter, reserve peace officer, or emergency rescue personnel, the employee may take unpaid leave to perform emergency duties connected with any of those positions.

In addition, an employee serving in any of the above roles may take up to fourteen (14) days of unpaid leave during any calendar year for the purpose of engaging in fire, law enforcement, or emergency rescue training.

An employee taking leave under this section, may utilize sick or vacation leave benefits during the duration of the leave in lieu of taking unpaid leave.

### 406.17 Victim of Domestic Violence Leave

If an employee is a victim of domestic violence, sexual assault or stalking, the employee may take time off from work to ensure the health, safety or welfare of the employee or the employee's child. This includes, but is not limited to:

- time off to seek a temporary restraining order, restraining order, or other injunctive relief
- time off for court proceedings; services from a domestic violence shelter, program or rape crisis center; counseling; medical attention; or participation in safety planning programs.

To take domestic violence leave, employee must provide the Agency with advance notice of the need for the leave. If the absence is due to an emergency, the employee must provide the Agency with proof of the need for the leave within a reasonable time after the absence. Acceptable forms of proof include:

- a police report
- a court order
- documentation from a healthcare provider, victim's advocate, or counselor

To the extent possible under the law, the Agency will maintain the confidentiality of the employee's request for leave.

Employees may elect to use paid leave benefits in lieu of taking unpaid leave under this section.

### 406.18 Victim of Crime Leave

Employees who are victims of violent felony, serious felony or a felony involving theft or embezzlement are eligible for unpaid leave to attend judicial proceedings related to the

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prosecution of the crime committed. Employees whose spouse, child, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father, stepfather, registered domestic partner, or registered domestic partner's child is a victim of a violent felony, serious felony or a felony involving theft or embezzlement are also eligible for unpaid leave to attend judicial proceedings related to the prosecution of the crime committed.

Employees who are victims of violent felony, serious felony or a felony involving theft or embezzlement are eligible for unpaid leave to attend judicial proceedings related to the prosecution of the crime committed. Employees whose spouse, child, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father, stepfather, registered domestic partner, or registered domestic partner's child is a victim of a violent felony, serious felony or a felony involving theft or embezzlement are also eligible for unpaid leave to attend judicial proceedings related to the prosecution of the crime committed. Prior to their absence, employees should give their supervisors the notice of each scheduled proceeding that is provided to the victim by the agency responsible for providing notice prior to the absence. When prior notice is not feasible or an unscheduled absence occurs, employees must provide documentation within a reasonable time after the absence. Documentation evidencing the judicial proceeding may come from any of the following entities:

- The court of government agency setting the hearing.
- The district attorney or prosecuting attorney's office.
- The victim/witness office that is advocating on behalf of the victim.

An employee who is absent from work for a judicial proceeding may elect to use their accrued and unused vacation time or unpaid personal leave.

The Agency will, to the extent required by law, maintain the confidentiality of an employee requesting leave under this provision.

## **407. EMPLOYEE CONDUCT**

### **407.1 Code of Ethics**

Officers, employees, and agents of NCPA will conduct themselves in a manner consistent with sound business and ethical practices. The public interest is paramount in all official actions; even the appearance of impropriety should be avoided to ensure and maintain public confidence. Decision-making must be in all respects fair, independent, and impartial.

### **407.2 Confidentiality of Information**

It is the policy of the Agency to closely protect information that may be of competitive interest to organizations or individuals. Employees are urged to protect confidential information that they have access to (for more information see the Information Services procedures). Some of the information must be held confidential due to competitive concerns while other areas have legal requirements.

Examples of confidential Agency information includes:

- Personal information concerning Agency employees such as discipline or medical data
- Agency or member financial information
- Plans regarding potential or actual mergers, acquisitions or expansions
- Technical information about specific plants, equipment or methods of operation
- Communications regarding staffing plans or legal actions

To ensure the confidentiality and proper use of Agency information, employees agree to comply with all Agency IT policies, including but not limited to, the Appropriate Computer Use Policy, Cyber Security Policy, Social Media Policy, Password Policy, NCPA Intranet Governance Policy, and other role-dependent policies such as the Mobile Device Policy or Remote Access Authorization Policy. These policies are available on the NCPA Wire.

### **407.3 Conflict of Interest and Outside Employment**

NCPA employees shall not engage in any outside work that will create the appearance and/or existence of a conflict of interest or constitute incompatible activities with their Agency position or impede the performance of their duties as an Agency employee. No employee shall use for private gain or advantage the Agency's time, facilities, equipment, money, materials or the prestige and influence of their position.

No employee shall accept or receive any consideration or compensation for an act that they would be required or expected to perform as a part of their duties as an Agency employee.

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Employees shall notify and request approval from their appointing authority in writing in advance of beginning outside employment which may present a potential conflict with the duties of their position or their ability to perform those duties. Failure to obtain advance written approval may be grounds for disciplinary action up to and including termination.

### 407.4 Gifts

Employees or family members shall not accept gifts of cash payments, gift certificates, or credit arrangements of any kind or amount from individuals or companies doing or seeking to do business with NCPA.

An employee or family member may not accept non-cash gifts, including entertainment, travel, or other gratuities or services from individuals or companies doing or seeking to do business with NCPA, unless the transaction meets all the following requirements:

- It is in keeping with good business ethics
- It is customary and proper under the circumstances and gives no appearance of impropriety
- It services a valid Agency business purpose
- It does not impose any sense of obligation on the recipient to the donor
- It does not result in any kind of special or favored treatment for the donor
- It cannot be viewed as extravagant, excessive, or too frequent considering all the circumstances, and the total value is no more than the current Fair Political Practices Commission gift limit (see [www.fppc.ca.gov](http://www.fppc.ca.gov)).

### 407.5 Statement of Economic Interest

Any employee, Commission member or other official who manages Agency investments as described in Government Code Section 87200 et seq., shall file annual Statements of Economic Interest in accordance with State law.

### 407.6 Dress Code

It is the Policy of the Agency that its employees use good judgment and dress in a manner that is appropriate to their job function, location, and hours of work. All employees are expected to maintain their clothing to generally acceptable standards of neatness, safety, cleanliness, and professionalism, and Managers are responsible for ensuring appropriate attire is worn by their employees. For example, appropriate clothing for plant operations would not normally include a suit and tie nor shorts. Likewise, for staff that may be in contact with the public or Commission members, shorts or flip flops would not normally be appropriate.

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### 407.7 Drug-Free Workplace Policy

The Federal Drug-Free Work Place Act of 1988 requires employees to be notified that the manufacture, distribution, dispensation, possession or use of a controlled substance on Agency property or time is prohibited. Any violation of this policy will result in disciplinary action, up to and including termination. Agency employees engaged in Agency work funded by a federal grant must report to his or her Manager any conviction of any federal or state criminal drug statute for a violation occurring in the Agency work place or on Agency time no later than five (5) calendar days after such conviction. The Manager shall report the conviction to the Human Resources Manager. If any employee engaged in work funded by a federal grant is so convicted, the Agency is required by federal law to report the conviction to the granting Agency. Please see the related Procedure on Drug and Alcohol Abuse.

### 407.8 Political Activities Policy

Agency officers and employees are prohibited from participating in political campaigning while on Agency time, including the distribution of campaign literature either during work hours or on the Agency premises.

This prohibition includes the use of and/or displaying of campaign materials on Agency property, including walls, bulletin boards, doors and Agency-owned vehicles. Likewise, any Agency officer or employee is prohibited from participating in any political activities while in Agency uniform, either on or off the job.

This prohibition does not include private vehicles used in the course and scope of employment, the wearing of campaign buttons on personal clothing during working hours if the employee is not wearing an Agency uniform, or displaying campaign material on bulletin boards designated for use by an employee organization.

### 407.9 Grievances

The Agency and its employees have a mutual interest and obligation to attempt to settle work-related grievances as fairly and promptly as possible.

A grievance is defined as a dispute or complaint regarding the application or interpretation of a written Agency rule, policy or procedure relating to an employee's wages, hours or conditions of employment, but not related to disciplinary action against an employee.

This grievance procedure is intended to provide an informal avenue for redress of grievances (as defined above) of complaints relating to the policies expressed in this manual, and to give the Agency an opportunity to investigate the complaint and correct any problems before they become more serious. However, this grievance procedure may not be used for any of the following: to change wages, hours or working conditions; or to challenge the content of employee evaluations or discipline.

## PERSONNEL POLICIES AND PROCEDURES

Only full-time regular, non-union employees who have completed probation have access to this grievance procedure. At will and provisional employees do not have access to this procedure. Part-time, limited term, seasonal and temporary employees may utilize this procedure up to the Human Resources Manager level only. For those employees, the Human Resources Manager's decision regarding the grievance shall be final and binding.

Every effort should be made to resolve a grievance at the point the grievance arose, through informal discussion between the grievant and his/her Manager.

If the employee is not satisfied with resolution of the matter after speaking with his/her Manager, the employee may present a formal written grievance form to the Human Resources Manager with a copy to their Manager. The written grievance must be presented within fifteen (15) calendar days of the facts giving rise to the appeal. However, this time limit may be waived if agreed to by the Agency. The Human Resources Manager may, in his or her discretion, submit the grievance for response as the first step to a directly involved Manager or other department representative.

Grievance appeals must be in writing, signed by the affected employee(s) and allege that the Agency has violated a specific provision of the policies expressed in this manual. Grievances must contain the specific facts upon which they are based. Grievances that fail to include these elements may be rejected on that basis.

The Human Resources Manager or designee will review the grievance and shall serve notice of a written response within fifteen (15) calendar days of receipt of the grievance.

If the grievant is dissatisfied with the Agency's first response, the grievant may submit a written appeal to the General Manager. The appeal must be received by the General Manager within fifteen (15) calendar days of the Human Resources Manager's response.

The General Manager, or designee, will review the appeal and shall serve notice of a written response within fifteen (15) calendar days of receipt of the appeal. The General Manager's decision shall be final.

No other grievance or appeal procedure may be used for matters within the scope of this grievance procedure. Union employees should refer to their MOU for their grievance procedure.

### 407.10 Employee Solicitation, Organization and Distribution

Employee solicitation, organization, and distribution are permitted only at those times and in those areas that are compatible with the efficient and orderly operation of the Agency. Managers and supervisors at each NCPA facility are responsible for administering and enforcing this policy.

NCPA limits direct solicitation, organization, and distribution of literature in work areas. An employee may "directly" solicit other employees in non-work areas (e.g. break rooms, lunch areas, etc.). "Passive" solicitation by the placement of a collection box or envelope for approved charities or gift giving in appropriate public areas is permissible, with prior approval of

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the General Manager or Human Resources Manager. “Passive” distribution of literature by employees announcing times and dates that products, services or collections will occur may be posted on the “Employee Bulletin Board” at each location. Solicitation, organization or distribution by employees or non-employees by e-mail are not permitted. Exceptions to this policy may include charity drives such as the United Way and Blood Drives, collections for retirement/shower gifts, donations to assist fellow employees, etc. that are pre-approved by the General Manager or Human Resources Manager. Employees with questions about this policy should contact Human Resources.

### **Definitions:**

1. Solicitation and organization is any activity conducted for the purpose of advertising, promoting or selling any product or service or encouraging membership in any group, association or organization.
2. Distribution includes but is not limited to giving out posters, brochures, badges, buttons, information pamphlets, etc. to employees.



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### 408. SAFETY

NCPA is dedicated to providing a healthy, comfortable, and productive environment for the public and its employees. The purpose of these policies is to ensure compliance with health and safety laws and regulations and to promote health and safety among its employees.

#### **Responsibility/Action**

Employees are required, as a condition of employment, to exercise due care in the course of their work to prevent injuries to themselves, other employees, the public, and damage to Agency property.

Assistant General Managers/Managers are responsible for ensuring that new employees receive a Safety Orientation and that each new employee has signed a receipt for the “NCPA Employee Safety Program Manual(s)”. This form is contained in the Employee Health and Safety Program Manual.

The Human Resources Manager is responsible for ensuring that such signed “Verification” is on file with the Agency.

#### 408.1 Workers’ Compensation

Workers’ Compensation Insurance is provided for all employees. Workers’ Compensation Insurance is intended to provide medical treatment to heal illness or injury caused by work, tax-free payments to replace a portion of lost wages while the employee is temporarily disabled, and rehabilitation services necessary to get the employee back to work.

Because Workers’ Compensation rules and regulations are dictated by legislation and are subject to change from time to time, information concerning details of the program is available through Human Resources.

The Agency offers a supplemental Workers’ Compensation payment program for up to the first year following an industrial accident or illness. This supplemental program is coordinated with the employees’ other Agency benefits. Details of this program are also available through Human Resources.

#### **Service**

Any period of time during which an employee is absent without pay due to an injury or illness compensable under Workers’ Compensation Insurance will not be considered a break in continuous service for purposes of eligibility for salary increases, sick leave and vacation.

An employee who is absent from work because of a work-connected injury or illness that is compensable under Workers’ Compensation shall be eligible for supplemental sick leave, disability leave and vacation as follows:

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Accumulated sick leave and vacation credits may be used on a supplemental basis to provide payments in an amount equal to the difference between payments under Workers' Compensation and the employee's base salary rate.

Employees must return to work when his/her physician or a NCPA appointed physician determines that the employee is able to resume normal duties. If an employee fails to return to work in such instance, the employee will be considered absent without leave and subject to discharge.

**Fitness for Duty:** When an employee seeks to return to work after being on an illness or injury leave, the employee must provide medical certification that he/she is physically able to perform the duties of his/her position. The Agency may require the employee to undergo a fitness for duty examination before returning to work. If the employee is not fit to perform his/her duties, the Agency may consider placing the employee in another position, seek the employee's retirement or separate the employee in accordance with applicable law.

**Accommodation for Employees with Disabilities:** If an employee believes he or she has a disability, the employee may request a reasonable accommodation for that disability. Such requests should be submitted to the employee's department Manager or Human Resources Manager. The Human Resources Manager, or designee, will engage in an interactive process with the employee to determine an appropriate accommodation for the employee in accordance with applicable law.

### 408.2 Light Duty Work

At the sole discretion of the Agency, and with proper medical approval, an employee may be allowed to return to work on a light duty basis, if such light duty position is available and does not pose undue hardship to Agency operations. A light duty position is a temporary accommodation due to an employee's illness or injury, and the light duty position may be terminated at any time within the Agency's discretion. For accommodation of disabilities the Agency complies with applicable law.

### 408.3 Smoking Policy

NCPA is dedicated to providing a healthy, comfortable, and productive environment for the public and its employees. This section contains rules about smoking on Agency-owned or Agency-leased property and Agency vehicles. Its intent is to protect air quality and contribute to public health, safety, and wellbeing by striking a reasonable balance between the desires of smokers and non-smokers. It requires thoughtfulness, consideration, and cooperation between smokers and non-smokers. All persons share the responsibility for adhering to, and enforcing, these requirements. The provisions of this section shall be broadly construed to protect the rights of the non-smoker. This section provides as follows:

Smoking is only allowed in designated smoking areas. It is applicable both to employees and general public.

## PERSONNEL POLICIES AND PROCEDURES

### Designation of Smoking Areas

**Buildings:** Smoking is prohibited in any Agency-owned or Agency-leased building and in certain outside areas in accordance with the applicable laws or regulations.

**Vehicles:** Smoking is prohibited in any Agency-owned or Agency-leased vehicle.

### 408.4 Workplace Violence

It is the policy of the Agency not to tolerate violence or the threat of violence to any individual or facility within its premises.

#### Weapons

Weapons such as firearms, explosives, and knives or swords with blades longer than four (4) inches are not permitted on the premises, within Agency parking lots or within Agency-leased or owned vehicles.

#### Threats

Any threat of violence involving any employee or Agency facility must be reported by employees who witness the incident to the Manager or Assistant General Manager immediately.

#### Acts of Violence

If a violent workplace incident takes place, whether or not a physical injury results, an “Incident Report Form” must be completed and filed by the involved employee’s immediate supervisor (or by an employee who witnessed the incident) with a copy to the Human Resources Manager. A team will be assigned to investigate the incident and recommend appropriate corrective action. See the Agency’s procedure regarding Violence in the Workplace for more details.

### 408.5 Communicable Disease Control

The Agency recognizes that employees may be exposed to communicable diseases in the workplace or while traveling. Such diseases are capable of being transmitted to other individuals in various ways and include but are not limited to: influenza, tuberculosis, severe acute respiratory syndrome (SARS), etc. Exposure to and the risks of communicable diseases vary widely.

**Travel Alerts and Advisories:** Before traveling, it is recommended that employees check the United States Department of Health and Human Services’ Center for Disease Control and Prevention (“CDC”) website for travel alerts or advisories regarding the potential for exposure to various diseases. If the CDC issues a travel advisory for an area to which an employee is scheduled for business travel, the employee is to discuss with his or her supervisor whether to postpone or cancel the trip and use an alternative method of communication, such as a teleconference.

## PERSONNEL POLICIES AND PROCEDURES

**Workplace Health and Safety Standards:** Employees are expected to comply with all health and safety standards, especially when there is an outbreak of a communicable disease in the workplace or when they have one. For example, it is strongly recommended that employee's sick with the flu remain at home to reduce exposing others at work. Employees are to wash their hands regularly and cover their mouths when sneezing or coughing.

**Reporting Communicable Diseases:** Employees diagnosed with a communicable disease are expected to follow the instructions of their healthcare providers and inform their supervisor or Human Resources about their infection when directed to do so by their physician or public health officials. The Agency will report communicable diseases as required by law to local health officials, the workers' compensation carrier and the like. Employees and supervisors should contact Human Resources if they believe that they or any other employee needs information about an illness or concerns arise about the possible contagious nature of an employee's illness.

**Confidentiality:** An employee's medical condition is confidential, and information about an employee's health is to be provided only to those persons with a need to know about it. If an employee wishes to release information about his or her own health, he or she should advise the Human Resources Manager. The Agency will maintain procedural safeguards with the objective of protecting the privacy of persons living with a communicable disease. The Agency will not disclose the identity of any employee who has a communicable disease, except as authorized by law, when necessary for the administration of this policy, or pursuant to CDC guidelines. In general, it is recommended that no specified or detailed information concerning an employee's complaint or diagnosis of a communicable disease be provided to any other employee without the express consent of the patient.

**Reports from Health Providers:** The supervisor and Human Resources Manager, and if appropriate, a consulting physician will determine if a statement should be obtained from the employee's attending physician that the employee's continued presence at work will pose no significant risk of harm to the employee, co-workers, or customers.

**Fitness for Duty:** The Agency has the right to require that the employee be released by his or her physician before returning to work. The Agency also has the right to require an employee to undergo a medical examination to determine his or her fitness for duty.

**Accommodations:** The Agency will accommodate employees with communicable diseases consistent with the business needs of the Agency and applicable law. Factors to be considered include but are not limited to the risk to the employee and others, and possible methods of accommodation.

**Leaves:** Employees with communicable diseases may have rights for leave under the Family and Medical Leave Act or the California Family Rights Act or the Agency's medical leave policy.

**Workers' Compensation:** If a communicable illness is work related, the employee must report it immediately in accordance with Agency policy.

**409. NON-DISCRIMINATION AND HARASSMENT**

**409.1 Equal Employment Opportunity Policy**

It is the policy of NCPA to provide equal employment opportunity to all employees and applicants for employment, and to prohibit discrimination based on race, color, sex, gender, gender identity and gender expression, genetic information, sexual orientation, religion, national origin, ancestry, age, physical or mental disability, medical condition, marital status, veteran's status, and any other characteristic protected by law in recruitment, hiring, promotions, transfers, training, compensation, benefits, layoffs, recalls from layoffs, termination, and any and all other terms and conditions of employment.

The purpose of this policy is:

1. To reaffirm the Agency's commitment to prohibit and prevent unlawful discrimination (including harassment) in all workplaces of the Agency;
2. To define discrimination and harassment prohibited under this policy;
3. To set forth a procedure for resolving complaints of prohibited discrimination and harassment.

The Agency is committed to providing a work environment that is free from unlawful harassment and discrimination, including sexual harassment and harassment based on race, color, sex, gender, gender identity and gender expression, genetic information, sexual orientation, religion, national origin, ancestry, age, physical or mental disability, medical condition, marital status, veteran's status, or any other characteristic prohibited by state or federal law.

The Agency strongly disapproves of, and will not tolerate, harassment or discrimination against Agency employees or applicants by elected or appointed officials, Managers, supervisors or coworkers. The Agency also strongly disapproves of unlawful harassment of Agency employees by persons with whom the Agency has a business, service or professional relationship.

Discrimination, including but not limited to harassment, is considered misconduct and will not be tolerated. Employees who violate this policy and engage in acts of discrimination or harassment of any type, for any duration, shall be subject to severe disciplinary action, up to and including termination.

Retaliation against individuals who complain of any type of prohibited discrimination or harassment or who participate in an investigation into sexual harassment or discrimination will not be tolerated. Employees who engage in such acts of retaliation shall be subject to serious disciplinary action, up to and including termination.

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### 409.2 Definitions

Prohibited discrimination and harassment for purposes of this policy, includes but is not limited to:

1. **Speech:** Such as epithets, derogatory comments or slurs, and lewd propositions on the basis of race, color, sex, gender, gender identity and gender expression, genetic information, sexual orientation, religion, national origin, ancestry, age, physical or mental disability, medical condition, marital status, and any other category protected by law. This includes, without limitation, inappropriate sex-oriented comments regarding an individual's appearance, including dress or physical features, inappropriate comments of a sexual nature, or race or ethnicity-oriented stories and jokes.
2. **Physical Acts:** Such as assault, impeding or blocking movement, offensive touching, or physical interference with normal work or movement when directed at an individual on the basis of race, color, sex, gender, gender identity and gender expression, genetic information, sexual orientation, religion, national origin, ancestry, age, physical or mental disability, medical condition, marital status, and any other category protected by law. This includes pinching, grabbing, patting, propositioning, leering, or making explicit or implied threats or promises in return for submission to physical acts.
3. **Visual Insult:** Such as derogatory pictures, posters, cartoons, or drawings related to race, color, sex, gender, gender identity and gender expression, genetic information, sexual orientation, religion, national origin, ancestry, age, physical or mental disability, medical condition, marital status, and any other category protected by law. This includes, without limitation, sending inappropriate emails of a sexual nature to employees, or viewing pornography either in magazines or on the internet in view of other employees, displaying pictures or objects depicting nude, partially nude, or suggestively posed men or women; circulating derogatory or obscene notes, letters, emails or other literature.
4. **Retaliation:** Adverse employment actions carried out in retaliation for good faith submission of discrimination or harassment charges, or good faith participation in an investigation made pursuant to this policy.

Adverse employment actions carried out on account of race, color, sex, gender, gender identity and gender expression, genetic information, sexual orientation, religion, national origin, ancestry, age, physical or mental disability, medical condition, marital status, veteran's status, and any other category protected by law.

Harassment on the basis of race, color, sex, gender, gender identity and gender expression, genetic information, sexual orientation, religion, national origin, ancestry, age, physical or mental disability, medical condition, marital status, veteran's status, and any other category protected by law is prohibited. Verbal or physical conduct relating to these categories constitutes harassment when it:

## PERSONNEL POLICIES AND PROCEDURES

1. Has the purpose or effect of creating an intimidating, hostile or offensive working environment;
2. Has the purpose or effect of unreasonably interfering with an individual's work performance; or
3. Otherwise adversely affects an individual's employment opportunities.

### 409.3 Sexual Harassment

Sexual harassment is a form of unlawful sex discrimination and will not be tolerated by the Agency. Federal and State guidelines provide that unwelcome sexual advances, requests for sexual favors and other verbal, visual or physical conduct of a sexual nature constitute unlawful harassment when:

1. Submission to such conduct is made either explicit or implicitly a term or condition of an individual's employment.
2. The submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
3. Sexual advances, requests for sexual favors or other verbal or physical conduct of a sexual nature that has the purpose or effect of unreasonably interfering with an employee's work performance or of creating an intimidating, hostile, or offensive work environment.

Sexual harassment refers to conduct that is not welcome, that is offensive, that fails to respect the rights and dignity of others, that lowers morale and that, therefore, interferes with work effectiveness.

### Reporting Unlawful Harassment or Discrimination

Whenever possible, the employee should inform the harasser that his or her behavior is unwelcome, offensive, in poor taste, or highly inappropriate and ask that the behavior stop. Any employee who believes he or she has been unlawfully harassed or discriminated against should promptly report it orally or in writing to the employee's supervisor, the Human Resources Manager or the General Manager. An employee is not required to complain first to a supervisor if that person is the individual who is harassing and/or engaging in discriminatory actions against the employee. Instead, the employee may report the harassment/discrimination to any member of management.

Any supervisor or manager who receives a complaint of unlawful harassment/discrimination, or who observes or otherwise learns about unlawfully harassing conduct is required to notify the Human Resources Manager. Failure to do so may result in disciplinary action against the supervisor or Manager.

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### **Remedial Action**

Upon receiving complaints of discrimination or harassment, the Agency will undertake an investigation of the complaints appropriate for the circumstances. Any investigation and investigation report prepared relating to the complaint shall be kept confidential except as required by law. If harassment or discrimination is found to have occurred in violation of this policy, the Agency shall take action to ensure or confirm that the harassment or discrimination at issue is stopped. The Agency may take whatever measures are appropriate to ensure its workplaces remain free from unlawful discrimination or harassment. Within a reasonable period of time after the investigation into the complaint has been completed, the Human Resources Manager will inform the complainant in writing as to whether the complaint of violation of Agency policy has been sustained or not sustained.

Employees found to have engaged in discrimination or harassment covered by this policy may be subject to disciplinary action up to and including termination of employment. First-time violations of this policy, depending on the severity of the conduct, may lead to immediate termination.

Employees found to have been dishonest or uncooperative during an investigation into allegations of unlawful harassment may be subject to disciplinary action up to and including termination of employment.

**No Retaliation** – Employees should feel free to report valid claims of unlawful harassment without fear of retaliation of any kind. The Agency’s Nondiscrimination and Harassment Policy, and of these complaint procedures, shall be provided to all employees of the Agency, and to all new employees at the time of hiring.

### **DFEH and EEOC**

In addition to notifying the Agency about unlawful harassment or retaliation, an affected employee may also direct his or her complaint to the California Department of Fair Employment and Housing (“DFEH”), which has the authority to conduct investigations of the facts. The deadline for filing complaints with the DFEH is one (1) year from the date of the alleged unlawful conduct. An employee also has the right to direct his or her complaint to the federal Equal Employment Opportunity Commission (EEOC).

**Obligations of Employees:** Employees are responsible for knowing the Agency’s policy on nondiscrimination and harassment; refraining from discriminatory behavior, including harassment; reporting incidents of discrimination in a timely fashion; cooperating in any investigation concerning allegations of discrimination; and maintaining confidentiality concerning any investigation that is conducted.

All employees are also encouraged to communicate with one another to assist co-employees to avoid harassing, discriminatory, or otherwise offensive behavior.

### **Sexual Harassment Training**

In accordance with state law, every two years, all supervisory employees are required to attend at least two hours of classroom or other effective interactive training on the prevention of sexual



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harassment, discrimination and retaliation. Any new supervisory employee must attend such training within six months of hire or promotion to a supervisory position.

### 409.4 Accommodation for Employees with Disabilities

If an employee believes he or she has a disability that is preventing the employee from performing one or more of the essential functions of his or her job, the employee may request a reasonable accommodation for that disability. Such requests should be submitted to the employee's department manager or Human Resources Manager. The Human Resources Manager may engage in an interactive process with the employee to determine an appropriate accommodation for the employee if an employee believes he or she has a disability.

### **Access to Agency Programs, Services and Activities**

NCPA is fully committed to complying with the provisions outlined in the Americans with Disabilities Act regarding barrier-free access to all Agency programs, services and activities.

It is the policy of the Agency to ensure that all Agency programs, services, and activities are readily accessible to and usable by individuals with disabilities unless to do so would be an undue hardship or cause a fundamental alteration in Agency operations.

### **Access Complaint Procedure**

A complaint regarding problems with access to Agency programs, services, or activities may be filed in writing with the Human Resources Manager. Complaints should contain the name and address of the person denied access, and describe the specific conduct of which the employee is complaining.

A complaint must be filed within thirty (30) days after the complainant becomes aware, or should have become aware of the alleged violation.

Upon receiving complaints of problems with access to Agency programs, services or activities, the Agency will undertake an investigation of the complaints appropriate for the circumstances. Any investigation and investigation report prepared relating to the complaint shall be kept confidential except as required by law. If the investigation finds that the Agency access does not comply with the Americans with Disabilities Act requirements, appropriate corrective action will be taken by the Agency.

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## **411. EMPLOYEE RETENTION: SEVERANCE BENEFITS FOR INVOLUNTARY SEPARATION**

The purpose of the employee retention severance benefits is:

- To stabilize NCPA's work force under conditions of uncertainty in the electric industry.
- To retain employees needed in carrying out NCPA's future mission and business plan as outlined by its Commission members.
- To assure that employees who are involuntarily terminated in situations beyond the reasonable control of NCPA are treated equitably in accordance with good business practices.

### **Eligibility**

Regular Agency employees, who are not otherwise rendered ineligible by the terms of this paragraph, are eligible to participate in this severance plan, contingent upon the employee relinquishing in writing to the right to pursue litigation against NCPA related to termination (hereinafter, Eligible Employees). Probationary employees, provisional, part-time, limited term, casual or at will employees, and any employee terminated for cause are not eligible for severance benefits under this plan. Exceptions to this policy will be at the discretion of the General Manager.

If involuntary severance is required, it may be in NCPA's best interest to provide the potentially affected employees the opportunity to volunteer for severance. If NCPA, in its sole determination, decides to offer voluntary severance to a group of employees, the voluntary severance benefits will be the same as the involuntary severance benefits defined herein.

### **Policy**

NCPA operates efficiently and effectively, and follows good business practices. Depending upon business conditions, it may become necessary to terminate employees who would prefer to remain employed by the Agency.

NCPA's policy is to provide transition assistance through severance benefits to Eligible Employees who are involuntarily terminated without cause, or who are affected by a change in control. Constructive termination includes a material reduction in pay, benefits, duties or responsibilities, or an unreasonable mandatory relocation.

### **Benefits**

Benefits upon involuntary separation for Eligible Employees are as follows:

- A lump sum payment equal to two (2) weeks base salary for each continuous year of service to a maximum payment of twenty six (26) weeks (6 months) base salary. Minimum payment, regardless of length of service, is 4 weeks base salary. Partial years of service will be prorated.

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- Continuation of Health and Welfare benefits (medical, dental and vision insurance): Current benefits levels will be provided at the Agency's expense to employees who are terminated involuntarily (and eligible dependents) for six (6) months under COBRA. Thereafter, the employee may continue medical coverage at his/her own expense under COBRA following termination, until employment with benefits is obtained with another employer, or COBRA ends, whichever occurs first.

Payment will be made for accrued vacation at the time of termination.

A lump sum payment for half the employee's accrued sick leave will be made. If an employee who is eligible for severance benefits, elects retirement under CalPERS, his or her sick leave and medical benefits will be handled as retirement benefits under CalPERS rules.

### **Change in Control**

In the event of a change of control of NCPA, involuntary severance benefits will apply. A change in control is defined as any reorganization, joint venture, privatization plan, sale merger, affiliation, or contract that results in final decision-making authority with respect to workforce size, composition, wages, hours of work, or working conditions being vested in any entity, person or persons other than NCPA.

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## 415. DISCIPLINE POLICY

### General Rules of Conduct

All Agency employees shall render the best possible service to, and conduct themselves so as to reflect credit on, the Agency. The highest standards of professional conduct are essential and expected of all employees.

#### 415.11 Disciplinary Actions

The Agency may invoke one or more of the following types of disciplinary actions. The disciplinary actions are listed in increasing order of severity:

- (a) Oral Reprimand
- (b) Written Reprimand
- (c) Suspension without Pay for up to thirty (30) days
- (d) Reduction in Pay (temporary or permanent decrease in salary)
- (e) Demotion (Change in classification) or
- (f) Termination

The Agency may both impose a combination of a suspension without pay, a reduction in pay, and a demotion in a single disciplinary action.

### Grounds for Discipline

Disciplinary measures may be imposed for any good and sufficient cause. Agency employees who are employed “at-will”, or who are temporary or probationary, may be subject to discipline at the Agency’s discretion. However, such employees are not subject to the requirement of good cause, and are not entitled to either pre-discipline procedures or post-disciplinary appeals under this policy.

Good cause for discipline exists, not only when there has been an improper act or omission by an employee in the employee’s official capacity, but also includes, but is not limited to, any conduct by an employee either on or off-duty that brings discredit to the Agency, affects the employee’s ability to perform his or her duties, causes other employees not be able to perform their duties, or involves any improper use of the employee’s position for personal advantage or the advantage of others.

The level of disciplinary action imposed by the Agency is within the Agency’s discretion and is dependent upon the seriousness of the offense and the relevant employment history of the employee. While use of “progressive” discipline (i.e., increasing the severity of punishment in successive instances of discipline) is good personnel practice and shall be considered by the Agency in each case, it is not mandated by this policy.



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It is recognized that it is not possible to list all matters or behaviors which may give rise to discipline. Employees are expected to utilize reasonable judgment and common sense in avoiding conduct which may give rise to discipline. Good cause for disciplinary action against an employee includes, but is not limited to, the following:

- Misstatements or omissions of fact in completion of the employment application or to secure appointment to a position with the Agency.
- Knowingly furnishing false information, or intentionally omitting material facts, in the course of the employee's duties and responsibilities.
- Inefficiency, incompetence, carelessness or negligence in the performance of duties.
- Violation of safety rules.
- Violation of any of the provisions of the Agency's personnel rules and regulations, department rules and regulations, Agency policies, Agency procedures, or Agency rules or regulations.
- Inattention to duty.
- Tardiness; or abuse of sick leave or other leaves.
- Being under the influence of an intoxicating beverage, illicit narcotic, or prescription drug the use of which impairs an employee's ability to perform his or her job without creating a danger to himself or herself, to other employees, or to members of the public while on duty or on Agency property, or when called in for emergency duty; possession of alcohol on duty or on Agency property without authorization; or possession of unlawful drugs on duty or on Agency property.
- Insubordination or disobedience to proper authority, or refusal or failure to perform assigned work, to comply with a lawful order, or to accept a reasonable and proper assignment from an authorized supervisor.
- Unauthorized soliciting on Agency property; or the conduct of any unauthorized commercial or political activity on duty or on Agency property.
- Unauthorized absence without leave; or failure to report after leave of absence has expired or after a requested leave of absence has been disapproved, revoked or cancelled, or any other unauthorized absence from work or failure to report to work.
- Conviction of a felony or a misdemeanor involving moral turpitude or any violation of a federal, state or local law which negatively impacts the employee's ability to effectively perform his or her job or which brings discredit to the Agency.
- Offensive or impolite treatment of the public or other employees.

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- Falsifying any Agency document or record.
- Misuse of Agency property; improper or unauthorized use of Agency equipment or supplies; or damage to or negligence in the care and handling of Agency property.
- Fighting, assault and/or battery.
- Theft or sabotage of Agency property.
- Inattention or sleeping on the job, except as specifically authorized for twenty four (24) hour duty personnel.
- Accepting bribes or kickbacks; accepting gratuities or gifts prohibited by the Political Reform Act.
- Unauthorized disclosure of confidential Agency information or of Agency trade secrets; or the failure to guard such information.
- Intimidation or interference with the rights of any employee.
- Outside work or employment, or any other outside activity or conduct, which conflicts with Agency responsibilities, causes discredit to the Agency, negatively impacts the effective performance of Agency functions or is not compatible with good public service or interests of the Agency service.
- Failure to maintain the necessary license or certification specified for the position.
- Abusive or intemperate language toward or in the presence of others in the workplace.
- Any other good cause as determined by the Agency.

### **Authority to Discipline**

Any authorized supervisory employee, including an employee temporarily upgraded to a supervisory position, is responsible for ensuring that the employees under his/her supervision are following performance standards including policies and procedures. Supervisors may institute disciplinary action for cause in accordance with this policy. Non-supervisory employees who are temporarily upgraded to a supervisory position must immediately take action to stop inappropriate behavior, and must recommend disciplinary action to the appropriate Manager who will investigate the incident and implement the discipline.

Whenever this discipline policy refers to a “supervisory employee”, the term includes an employee temporarily upgraded to a supervisory position.

### **Procedure for Disciplinary Action**

- A. At-will Employees:** Notwithstanding anything in this policy to the contrary, at-will employees, temporary employees or probationary employees may be disciplined

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by the Agency, up to and including termination from employment, without complying with the procedural provisions of this Policy, without being subject to the requirement for good cause for discipline, and without providing any appeal pursuant to this policy.

- B. Conflicting Provisions of Memorandum of Understanding:** In the event of a conflicting or inconsistent disciplinary procedure or provision in a Memorandum of Understanding (“MOU”) between the Agency and a union recognized as the exclusive representative for a particular bargaining unit, the disciplinary provisions or procedure of the MOU shall govern. In the absence of an inconsistent discipline procedure in a MOU, employees covered by this policy shall be governing by the following provisions.
- C. Minor and Major Discipline:** For purposes of this policy, a “Major” discipline shall mean a suspension without pay of six (6) or more days, any reduction in pay (whether temporary or permanent), a demotion or termination. A “Minor” discipline shall mean an oral reprimand, a written reprimand, or a suspension without pay of five (5) or fewer days.
- D. Minor Discipline shall be imposed as follows:**
- 1. Oral Reprimand:** Any authorized supervisory employee may in consultation with the Human Resources Manager, orally reprimand an employee under his or her supervision for violation of this policy. The supervisor shall create a written record of the date of the reprimand and the factual basis for it, and shall provide a copy of the record of oral reprimand to the Human Resources Manager.
  - 2. Written Reprimand:** Any authorized supervisory employee may, in consultation with the Human Resources Manager, reprimand in writing an employee under his or her supervision for violation of this policy. The supervisor shall create a formal memorandum indicating the date and nature of the violation and shall provide copies of the memorandum to both the employee and the Human Resources Manager. The memorandum shall advise the employee or his or her right to submit a response memorandum within five (5) business days of the receipt of the reprimand. Any response memorandum received within that time period shall be placed in the employee’s personnel file along with the reprimand memorandum.
  - 3. Suspension Without Pay for Five (5) or Fewer Days:** Any supervisory employee desiring to recommend discipline consisting of suspension without pay for five (5) or fewer days shall, in consultation with the Human Resources Manager, provide a written memorandum to the appropriate Assistant General Manager proposing such discipline. The memorandum shall describe the proposed discipline, the basis for the recommendation of discipline (including citation to the sections of this policy alleged to have been violated and the factual basis for the alleged violations), and shall attach any documents upon which the recommended discipline is based.

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The Assistant General Manager may conduct such further investigation as he or she deems appropriate and may thereafter issue a Notice of Discipline as provided in this policy. The Assistant General Manager may not increase the proposed discipline to encompass either six (6) or more days suspension without pay, reduction in pay, demotion or termination without issuing a Notice of Intent to Discipline and providing the affected employee the opportunity for a pre-disciplinary hearing.

In the event that the suspension without pay is proposed by an Assistant General Manager he or she shall follow the same process as other supervisory employees, but the recommendation shall be forwarded to an uninvolved Assistant General Manager as designated by the General Manager who shall thereafter act upon the recommendation in the manner indicated above.

### **E. Major Discipline - Notice of Intent to Discipline and Pre-disciplinary (“Skelly”) Hearings**

1. **Notice of Intent to Discipline Required:** A supervisory employee proposing a major discipline shall, in consultation and coordination with the Human Resources Manager, issue a written Notice of Intent to Discipline, also known as a “Skelly letter.”
2. **Required Content of a Notice of Intent to Discipline:** The Notice of Intent to Discipline shall describe the intended or proposed discipline, describe the basis for the discipline (including citation to the sections of this policy alleged to have been violated and the factual basis for the alleged violations), and shall attach any documents upon which the discipline is based. The Notice of Intent to Discipline shall notify the employee of his or her right to an informal, pre-disciplinary and non-evidentiary hearing, known as a “Skelly hearing.” The Notice of Intent to Discipline shall indicate the last date by which a request for a Skelly hearing must be made, which date shall not be less than ten (10) business days (defined as Monday through Friday) after the issuance of the Notice of Intent to Discipline. It shall advise the employee that he or she may be represented at the Skelly hearing by a union representative or other person, including counsel, and may choose to respond either in writing or orally to the charges but that no witnesses may be called at the Skelly hearing.
3. **Skelly Hearing:** If a Skelly hearing is timely requested by the employee, the Agency will set a date for the Skelly hearing. In the event that an employee fails to request a Skelly hearing, the employee shall be deemed to have waived the right to a Skelly hearing and the Skelly hearing officer may issue a Notice of Discipline as provided in this policy based upon the Notice of Intent to Discipline.

In the case of a proposed discipline other than termination, the Skelly hearing officer shall be the appropriate Assistant General Manager. If the appropriate Assistant General Manager is the supervisor who originally issued the Notice of Intent to Discipline, then the General Manager shall appoint another, uninvolved Assistant General Manager to act as the Skelly hearing officer. In

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the case of a proposed discipline that consists of termination, the Skelly hearing officer shall be the General Manager.

The Skelly hearing shall be conducted as an informal hearing, at which no witnesses are called. The employee or his or her representative may present oral or written argument to explain why the proposed discipline is not appropriate for any reason, including pointing out any mistakes of fact in the Notice of Intent to Discipline, and may indicate why the proposed discipline is disproportionate to the alleged misconduct.

4. **Authority of the Skelly Hearing Officer:** Following the conduct of the Skelly hearing, or upon the failure of the employee to timely request a Skelly hearing, the Skelly hearing officer shall make the final decision regarding the appropriate discipline, if any, to be imposed upon the employee, subject only to the right to a post-disciplinary appeal, if such appeal is provided for in this policy. The Skelly hearing officer may elect to impose no discipline, to impose the recommended discipline, or to impose a discipline which is less severe than that proposed in the Notice of Intent to Discipline. A Skelly hearing officer may not impose a discipline which is more severe than that proposed in the Notice of Intent to Discipline.

- A recommended suspension may not be increased in length, nor may the Skelly hearing officer impose either a reduction in pay, demotion or termination.
- A recommended temporary reduction in pay may not be increased in length or made permanent, nor may the Skelly hearing officer impose either a demotion or termination. The Skelly hearing officer may, however, modify the recommended discipline to either a shorter reduction in pay, a written reprimand or an oral reprimand.
- A recommended permanent reduction in pay may not be modified by the Skelly hearing officer to include either a demotion or a termination. The Skelly hearing officer may, however, modify the recommended discipline to a temporary reduction in pay, a written reprimand or an oral reprimand.
- A recommended demotion may not be modified by the Skelly hearing office to a termination. The Skelly hearing officer may, however, modify the recommended discipline to a reduction in pay (either permanent or temporary), a written reprimand or an oral reprimand.
- A recommended termination may be modified by the Skelly hearing officer to any other form of discipline.

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### F. Notice of Discipline

A written Notice of Discipline shall be issued in the event of any discipline (whether Major or Minor) other than an oral or written reprimand, either by the supervisory employee imposing a suspension of five (5) or fewer days or by the Skelly hearing officer in the event of a Major Discipline. No Notice of Discipline shall be issued without a prior Notice of Intent to Discipline, and the opportunity to attend a Skelly hearing, except in the case of a Minor Discipline.

The Notice of Discipline shall indicate the discipline imposed, the effective date of the discipline, the basis for the discipline (including citations to the sections of this policy that have been violated and the factual basis for the violation); shall review the Skelly hearing discussions and outcome (if such a hearing was conducted); and shall either attach any documents on which the discipline is based or advise the employee upon which documents the discipline is based and that the documents are available for review and copying at the Agency's expense. The Notice of Discipline shall advise the employee of his or her rights to such an appeal and the deadline for requesting such an appeal. The discipline shall become effective upon the date specified in the Notice of Discipline regardless of whether or not the employee files an appeal from the Notice of Discipline.

### G. Appeal

1. Employees covered by this policy have the right to appeal from any discipline consisting of a suspension without pay of any length, demotion, reduction in pay, or no later than ten (10) business days from the date of the Notice of Discipline. In the event that no appeal is timely received, the right to appeal is waived.
2. The appeal shall be heard by a neutral hearing officer. In the event of a discipline other than termination, the hearing officer shall be an uninvolved Assistant General Manager designated by the General Manager, or in the sole discretion of the General Manager, may be a third person retained by the Agency. In the event of a discipline consisting of termination the hearing officer shall be a third person retained by the Agency. Any third person hearing officer retained by the Agency shall be experienced in the handling of the resolution of labor and employment disputes in public agencies and shall be chosen from a neutral panel in such a fashion as to eliminate any perception of bias on the part of the hearing officer. The Agency shall pay the fee, if any, of a third person hearing officer.
3. The appeal shall be conducted as an evidentiary hearing to determine if there was good cause for the imposition of discipline and, if so, whether the level of discipline was appropriate. The Agency shall bear the burden of proof by a preponderance of the evidence at such hearing. The hearing shall be conducted without regard for the formal rules of evidence, and the hearing officer may rely upon such evidence as is commonly relied upon by reasonable persons in the conduct of their business.

The hearing officer shall have the authority to convene the hearing, issue subpoenas to compel the attendance of witnesses or the production of evidence, receive evidence

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through testimony and documents and to make findings of fact and conclusions of law regarding the discipline. Both parties may be represented by counsel at the hearing.

The Agency shall make a record of the proceedings through the use of a court reporter or a tape recording at the Agency's cost. Provided, however, that if the Agency has determined to tape record the proceedings and the employee wishes to have a court reporter, the employee will be responsible for paying the reporter's fees. The cost of preparing a transcript of the proceedings to be used by the General Manager or the NCPA Executive Committee, as the case may be, shall be borne by the Agency.

4. In the event of an appeal from a discipline other than termination, the hearing officer shall provide a written advisory opinion to the General Manager, containing his or her findings of fact and conclusions of law, and recommending that the discipline be upheld, modified, or reversed. The hearing officer shall transmit the recommendation along with a copy of the transcript of the proceedings, all papers filed by either party, and a copy of any exhibits. The General Manager shall consider the advisory opinion and other materials and make the final decision regarding the discipline. The General Manager need not hear further from the parties unless he or she determines to hear further evidence or argument in his or her sole discretion. The General Manager may affirm the hearing officer's decision, reverse the hearing officer's decision, or modify it. The decision of the General Manager is final, and is not subject to appeal. Such decisions are subject to review only through a writ of administrative mandate filed pursuant to California Code of Civil Procedure section 1094.5.

5. In the event of an appeal from a discipline that terminates the employee's employment with the Agency, the hearing officer shall provide a written advisory opinion to the Executive Committee of the NCPA Commission, containing his or her findings of fact and conclusions of law, recommending that the discipline either be upheld, modified, or reversed. The hearing officer shall transmit the recommendation along with a copy of the transcript of the proceedings, all papers filed by either party, and a copy of any exhibits. The Executive Committee of the NCPA Commission shall consider the advisory opinion and other materials and make the final decision regarding the discipline, but need not hear further from the parties unless it determines to hear further evidence or argument in its sole discretion. The Executive Committee of the NCPA Commission may affirm the hearing officer's decision, reverse the hearing officer's decision or modify it. The decision of the Executive Committee of the NCPA Commission is final, and is subject to review only through a writ of administrative mandate filed pursuant to California Code of Civil Procedure section 1094.5.

6. The decision of the General Manager or the Executive Committee of the NCPA Commission, as the case may be, shall provide notice to the employee that the time for judicial review is governed by the provisions of California Code of Civil Procedure section 1094.6.

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### **P402.1 TEMPORARY/CASUAL STAFF HIRING PROCEDURE**

When a need to hire temporary staff has been identified the following procedure shall apply.

- First, the job duties/job description for the opening will be identified.
- Second, verify that there is funding in the budget for the additional position.
- Third, the hiring manager will then work through Human Resources to fill the job.
- Fourth, the hiring manager is responsible for ensuring temporary or casual staff work less than 960 hours in a fiscal year. Any exception requires express written approval of the AGM, General Manager and Human Resources.



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### **P403.10 OVERTIME COMPENSATION (COMP. TIME OFF) PROCEDURE**

Public agency employees who are non-exempt under the FLSA are eligible to accrue compensatory time off (CTO) at a rate of not less than one and one-half hours for each hour of overtime work with the approval of their managers. There is no premium pay other than overtime at one and one-half time for all hours worked over forty in a work week. In lieu of overtime pay, non-union employees may accrue time off in accordance with this procedure. Represented employees should refer to their respective Memorandum of Understanding.

To accrue CTO there are several conditions that must be met to be in compliance with the wage regulations and they are outlined below.

- An agreement must be signed between the Manager and non-union employee before the performance of the work to determine if it will be paid as overtime or accrued as CTO. A form for this purpose is on the next page. Please record all CTO earned and used on this form, and attach it to the employee's bi-weekly timesheet.
- Hourly, non-union employees may be authorized to have a balance of up to forty (40) hours of CTO during the calendar year.
- Upon termination or at the end of each calendar year, an employee with unused, accrued CTO shall be paid for this time at the then current rate of pay.
- Employees who earn CTO and have requested to use CTO shall be permitted to use such time if the use does not disrupt operations within the Agency.

If you have questions about this procedure, please contact your Manager or the Human Resources Director as appropriate.

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**NCPA Request to Accrue/Take Compensatory Time Off Form**

**SECTION 1**

I, \_\_\_\_\_, request to **accrue** \_\_\_\_\_ hours as CTO.  
(Print Name) (Enter total\* hours – see below)

I worked approved overtime on the following date(s):  
(Enter dates overtime was worked)

Date Worked: \_\_\_\_\_

\_\_\_\_\_ Reg. Hours @ 1.5x = \_\_\_\_\_ and/or \_\_\_\_\_ Hours @ 2x= \_\_\_\_\_

Date Worked: \_\_\_\_\_

\_\_\_\_\_ Reg. Hours @ 1.5x = \_\_\_\_\_ and/or \_\_\_\_\_ Hours @ 2x= \_\_\_\_\_

**Total Converted Hours @ 1.5 times = \_\_\_\_\_ @ 2 times = \_\_\_\_\_ = \_\_\_\_\_**

**Please record your hours on this sheet only, not on a time sheet.**

**Request to Take Compensatory Time Off**

**SECTION 2**

I, \_\_\_\_\_, request to **take** \_\_\_\_\_ hours as CTO.  
(Print Name) (Enter # hours to be taken)

Shown on (date) \_\_\_\_\_ on the attached timesheet dated \_\_\_\_\_. I have entered these hours under code C (comp time taken) on this timesheet.

**(PLEASE SIGN BELOW INDICATING APPROVAL FOR EITHER SECTION 1 OR 2)**

I understand that accrued time must be taken as compensatory time off by the end of the calendar year or any remaining hours will be paid to me on the last payroll period of the year.

I also understand that I must provide advance notice when requesting to take compensatory time off, and that time off will be granted if it does not unduly disrupt the operations of the Agency.

Employee's Signature \_\_\_\_\_ Date \_\_\_\_\_

Manager's Signature \_\_\_\_\_ Date \_\_\_\_\_

**Please attach this sheet to your timesheet for either Section 1 or 2 CTO authorizations.**

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### **P403.11 CALL OUT PROCEDURE FOR EXEMPT STAFF**

Exempt staff who are on-call and who are frequently called out after hours throughout the year may be eligible for a year-end bonus. Those eligible for the bonus will be those regular full-time exempt employees who are called out in greater frequency than their additional paid leave provides for. In this situation the dates, and duration of the after - hours call outs to which a response was required should be brought to the manager's attention. . The manager may provide this information to the Assistant General Manager to determine if a bonus is warranted. The Assistant General Manager will review the frequency of the call outs with the General Manager, and at his/her discretion the General Manager may award a discretionary bonus of \$1,000 to \$5,000.

At the employee's request, this bonus may be converted to additional paid leave of up to forty (40) hours in a calendar year, with any balance being paid as a bonus in the year the General Manager approves the request. If additional paid leave is granted, it must be used in the calendar year in which it is granted.

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### **P403.12 REIMBURSEMENT FOR RELOCATION EXPENSES**

#### **GUIDELINES**

As outlined in Policy 403.12, the Agency will reimburse employees for travel and relocation expenses as detailed in this procedure.

Advance authorization from the General Manager is required to approve reimbursement for travel and relocation expenses.

The Agency pays contracted moving expenses directly to vendors. The agency reimburses you for other authorized travel and living expenses upon completion of move. The Agency does not advance payment for relocation. The General Manager may approve partial reimbursement prior to completion of move in a case of undue hardship.

#### **PROCEDURE**

1. Prior to scheduling your move, you must submit a minimum of two estimates from moving companies. It is strongly recommended that you contact moving companies that have offices both in your city and the new location (Roseville area, Murphys area or Geysers area). This will simplify resolving any problems that may occur.
2. You will then be given written authorization to proceed with the move. Do not contract with the mover until you receive your written authorization. Notify the mover to bill NCPA directly for the authorized moving expenses. All claims against the mover for lost or damaged goods should be negotiated directly between the mover or insurer and yourself.
3. Upon your arrival at the new location, contact the Human Resources Office for assistance in preparing the travel and living expense reimbursement form and return the form to Human Resources.

#### **REIMBURSABLE EXPENSES AND RATES**

##### **A. House-Hunting Trip**

Subject to the General Manager's approval, an employee and spouse will be reimbursed for one house-hunting trip if relocation is more than 350 miles for a period no greater than three days. Covered expenses include transportation to and from the new location, car rental, lodging and meals. The per diem rate for lodging and meals will be the same as for living expenses while moving.

## PERSONNEL POLICIES AND PROCEDURES

### **B. Transportation Expenses**

Actual transportation expenses will be paid for the employee and his/her immediate family from current residence to the job location. This will be done by the most direct route using the employee's choice of:

- 1) Y Class (Jet Coach) transportation
- 2) First class rail fare and roomette during overnight travel
- 3) Automobile

If the employee chooses to drive to the new location, he/she will be reimbursed for mileage via the most direct route at the current NCPA business mileage reimbursement rate.

### **C. Moving Expenses**

The Agency will pay:

1. The cost for packing, moving and, if desired, unpacking household and personal effects up to a maximum of 15,000 pounds, and including up to 30 days' storage en route.
2. Transit protection insurance for the actual value up to a maximum premium of \$500. (Additional coverage, if desired, will be billed to the employee and will not be reimbursed by the Agency.)
3. Normal servicing of household appliances, such as preparation for shipment of stereos, refrigerator units, or other appliances.
4. Under special circumstances, with advance written approval from the General Manager, the agency may pay the cost of shipping and insuring one passenger vehicle.

All claims against the mover for lost or damaged goods should be negotiated directly between the employee and the insurer.

### **D. Living Expenses While Moving**

While enroute to the new location, an employee will receive \$45 per day, his or her spouse \$40 per day, and each child \$15 per day. No enroute per diem is allowed for moves under 150 miles. If the move is between 150 and 350 miles, one day of travel is allowed. For travel beyond 350 miles, the number of days allowed shall be at the rate of one day per 350 miles. An additional day will be allowed if the total mileage is 150 miles or more in excess of a multiple of 350 miles.

Employees and their families traveling by air fare are limited to one day's enroute living expenses.

## PERSONNEL POLICIES AND PROCEDURES

### **E. Temporary Living Expenses**

Employees are expected to obtain housing as soon as possible after relocating to the new location. The Agency will reimburse the employee for meals and reasonable motel/hotel lodging expenses while waiting to move to a more permanent residence. The per diem rate is \$45 per day for the employee only. There is no per diem for the family during this period. The per diem terminates when the employee moves into an apartment, house, or at the end of 30 consecutive days, whichever comes first.

### **F. Nonreimbursable Expenses**

The Agency will not pay or reimburse employees for expenses over the limits indicated or for coverage not described. Specifically, no reimbursement will be made for the expenses noted below:

1. Moving boats, trailers, playhouses, spas, motorcycles, livestock, tractors or farm implements other than those used for normal yard and garden work.
2. House, rug or drapery cleaning, or other extraordinary services.
3. Extra handling costs on unusually heavy or bulky items such as pool tables, plants, lumber, brick and other articles not ordinarily considered household goods or personal property.
4. Moving more than one automobile.
5. Disassembling children's playhouses, swing sets, or storage buildings.
6. Draining and refilling water beds and fish tanks.
7. Removing and installing radio or television antennas.
8. Extra costs of Saturday, Sunday or holiday service by the mover.
9. Venting clothes dryers or hooking up ice makers.
10. Payments to friends who have assisted the employee in moving.
11. Automobile repairs.
12. Costs incurred during the relocation, not directly related to personal transportation or forwarding of household belongings, i.e. uninsured losses during transit and entertainment expenses.
13. Costs associated with utility deposits, inspections and/or connections.

## PERSONNEL POLICIES AND PROCEDURES

14. Disassembling and reassembling home entertainment or computer equipment.

Note: Movement of some non-reimbursable items shown above will be allowed if the article can be moved in the van and the maximum weight allowance of 15,000 pounds is not exceeded, providing such is approved by the General Manager.

### **G. Personal Arrangements**

The employee should personally arrange for the transportation of pets and articles of high intrinsic or sentimental value including jewelry, negotiables, collector items, etc. This will include arrangements for proper packing and declaration of the actual value of items shipped to insure adequate protection. Special or extra moving costs for such items will be borne by the employee.

## PERSONNEL POLICIES AND PROCEDURES

### **P404.3 FLEX-TIME/WORKING FROM HOME**

Working from home is defined as working for a half or full shift from home. As a general rule, working from home on a regular basis does not support the business needs of NCPA and its members. However, on a case-by-case basis if it supports the Agency's business needs, the General Manager may grant defined periods of time during which a non-union employee may telecommute to complete a project. Detailed written requests for telecommuting exceptions must be reviewed and approved in advance by the Manager and Assistant General Manager before being forwarded to the General Manager for consideration.

Non-union staff has the flexibility, with their Manager's approval, to occasionally work from home for periods of less than half their shift/workday. Allowing short periods of time to work from home will be considered when it is impractical for the employee to work at an NCPA location because of other work-related commitments.

Management retains the right to require employees to report to work. Management also has the discretion to not authorize staff to work from home based on the department's needs.



**P404.5 RESIGNATION-RETIREMENT PROCEDURE**

**Notification**

Once an employee has decided upon a planned date of retirement, he/she needs to notify Human Resources as soon as possible. Human Resources staff is available to provide assistance with any questions regarding retirement. Please note that if you are retiring from NCPA under CalPERS, ninety (90) days' written notice to your manager is requested to process the paperwork and transition in a timely manner.

**Medical Insurance Coverage**

NCPA will continue to provide medical insurance coverage for employees who qualify for and retire from NCPA within one hundred twenty (120) days of the date of termination. The retiree and his/her spouse are eligible for medical insurance coverage. Unless otherwise specified, the retiree and spouse will be covered by the same plan that they are covered by prior to retirement. If the retiree plans to move out of the area after retirement, he/she needs to check his/her current medical plan to make sure that the plan provides coverage in the new area of residence. There may be a need to change plans.

When the retired employee or spouse reaches the age of sixty five (65), he/she becomes eligible for Medicare and should enroll in parts A and B. At the time the employee becomes eligible for Medicare, NCPA will provide a medical insurance plan which supplements the coverage provided by Medicare. The retired employee is responsible for paying the cost of Medicare, Part B. Once a retiree or spouse receives his/her Medicare card, a copy needs to be sent to Human Resources.

**Sick Leave**

An employee's accrued sick leave may be credited as time worked under the CalPERS retirement plan if the employee retires from NCPA within one hundred twenty (120) days of the date of termination.

**Final Payroll Check**

The retiree will receive his/her final payroll check on the last day the employee reports to work, and that day is considered the last day worked for CalPERS purposes. The final payroll check will include hours worked, payment for any vacation balance, and management leave or floating holidays taken during the pay period. Employees, who may wish to take vacation prior to their last day of work, must provide notice as outlined in the Vacation Policy and receive approval from their manager.

**Dental and Vision Insurance**

NCPA does not continue to provide dental and vision insurance coverage upon retirement. The retiree has the option to continue dental and vision coverage for himself/ herself and his/her dependents under COBRA, for up to eighteen months following the date of retirement. The retiree is responsible for paying the cost of the premiums for dental and/or vision coverage at

## PERSONNEL POLICIES AND PROCEDURES

the rate charged to NCPA + 2%. Additional information will be provided regarding continuation of dental and/or vision coverage after receiving notice of retirement.

### **Deferred Compensation**

Upon notification of a pending retirement, the employee will be provided with a participant packet that provides information regarding his/her options related to deferred compensation. The employee has 60 days following his/her retirement date to make a decision regarding deferred compensation.

### **CalPERS**

CalPERS offers two-hour retirement workshops and full-day financial planning seminars to help employees plan for a better retirement. Contact the nearest CalPERS Regional Office or go to the CalPERS website for details.

An employee must complete an Application for Retirement under CalPERS. This form is available from the CalPERS website. To ensure timely processing of retirement and medical benefits, the application should be submitted to CalPERS up to 90 days before the intended retirement date. An employee's retirement date can be no earlier than the first of the month in which the application is received at CalPERS.

### **Long-Term Care/Optional Benefits**

If an employee is enrolled in the CalPERS Long-Term Care Program and has premiums deducted from paychecks, the employee must call the Customer Service Office at (800) 982-1775 to find out what steps need to be taken to continue the premium payments after retirement. Other optional benefits that an employee has signed up for that include payroll deductions should be changed through the Human Resources or Payroll office.

### **Questions**

Questions regarding medical, dental, vision, long-term care or flexible spending accounts, or any general questions should be directed to Human Resources at (916) 781-4251.

Questions regarding the final payroll check or deferred compensation should be directed to the payroll staff at (916) 781-4233.

## PERSONNEL POLICIES AND PROCEDURES

### **P405.10 TUITION REIMBURSEMENT PROCEDURE**

Solely at the Agency's discretion, the Agency may provide an educational leave and tuition reimbursement plan. The Agency may choose to reimburse expenses for tuition, books, and parking fees incurred by a regular full-time employee. The employee must successfully complete the classes at an accredited college, university or approved specialized training group. Such program must be related to the job duties of a position at the Agency, and must be approved in advance by the Human Resources Manager upon recommendation of the employee's Assistant General Manager. A degree program must be approved prior to taking any course. Please complete the Degree Program Application and obtain approval before enrollment (if applicable).

Upon completion of probation or after twelve (12) months of employment for an "at will" employee, a regular full-time employee may request advance approval of a course. Thereafter, reimbursement will be processed upon completion of the pre-approved course(s), subject to the approval of the Human Resources Manager or designee. Reimbursement may be granted for tuition, books, and parking fees. The following are specifically excluded from reimbursement: supplies, CLEP exams or related entrance exams; auditing or challenging a course; mileage or related optional personal expenses as determined by the Agency.

If reimbursement is requested and granted, the employee must present evidence within three weeks that each course is satisfactorily completed with a grade of "C" or better, a bill for the course and related fees that was paid, and the pre-approved NCPA Tuition Reimbursement form.

**NCPA APPLICATION FOR A DEGREE PROGRAM**

**APPLICATION FOR TUITION AID REIMBURSEMENT**

**TO BE COMPLETED BY EMPLOYEE PRIOR TO ENROLLMENT:**

Employee Name \_\_\_\_\_ Date \_\_\_\_\_

Job Title \_\_\_\_\_ Dept. \_\_\_\_\_

**The General Manager or his/her designee is delegated the final authority for all personnel decisions except where the Commission has expressly retained such authority to itself.**

**Degree Information – Courses to be taken:**  Online  On Campus

Name of Educational Institution \_\_\_\_\_

Address of Institution \_\_\_\_\_

Check Type of Degree:  Associate's  Bachelor's  Master's Area of Concentration

Estimated Start Date \_\_\_\_\_ Estimated End Date \_\_\_\_\_

(Please attach degree outline from college program provided by college advisor.)

Please state your career goal \_\_\_\_\_

Estimate the annual reimbursement you are seeking \$ \_\_\_\_\_ for \_\_\_\_\_ units/year.

- 1) Fill out Section A completely.
- 2) Have your supervisor and AGM sign the form and forward it to Human Resources.
- 3) Make sure and attach documentation for cost of tuition, books, parking fees and curriculum.
- 4) Submit completed form prior to class/seminar/training enrollment.

The above information is true and accurate to the best of my knowledge. I agree to all conditions of NCPA Tuition Reimbursement Program including direct repayment of all monies advanced by the Agency or I authorize paycheck deduction(s) if the course(s) is not completed satisfactorily in accordance with the Agency's procedures.

\_\_\_\_\_  
Supervisor/Manager's Recommendation

\_\_\_\_\_  
Date

\_\_\_\_\_  
AGM Recommendation

\_\_\_\_\_  
Date

\_\_\_\_\_  
Human Resources Manager Approval

\_\_\_\_\_  
Date

PERSONNEL POLICIES AND PROCEDURES

**Tuition Reimbursement Form**

**Section A**

Name \_\_\_\_\_ Date \_\_\_\_\_

Job Title \_\_\_\_\_ Dept. \_\_\_\_\_

Supervisor \_\_\_\_\_ Phone # \_\_\_\_\_

I wish to register to attend the course(s) indicated below for the semester beginning on \_\_\_\_\_ and ending on \_\_\_\_\_.

How is the course(s) related to your current position?  
\_\_\_\_\_

Reason for Enrollment \_\_\_\_\_

**Degree/Certification/Continuing Education**

Course #	Course Title	# Credit/Hrs.	Tuition Amount	Accredited School Name

Requests for reimbursement must be reviewed by an employees' supervisor, AGM, and approved by the Human Resources Manager before attendance at a class or program begins. Requests for reimbursement must be accompanied by receipts for actual expenses and will be paid only up to pre- approved limits. Time spent attending voluntary programs will not be counted as working time and will not be compensated. **Effective 7/1/04 and beyond, reimbursement is limited to \$5,000 per employee per fiscal year.**

I understand that I must complete this form and return it to Human Resources for approval **BEFORE** beginning the classes. If the course is approved, I must submit my **FINAL GRADES (C or better) AND PROOF OF TUITION, BOOKS, AND FEES** to Human Resources within three weeks after completing the course. I hereby request NCPA to approve the course(s) listed above and reimburse me for the costs specified above upon completion. I certify that the information in this request is complete, true, and correct. I acknowledge that my attendance at the course(s) is entirely voluntary and not required.

I have read and understand this form, and agree to its terms and conditions.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

As the employee's supervisor, I recommend  Approval  Denial of Request

\_\_\_\_\_  
Supervisor's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Assistant General Manager Signature

\_\_\_\_\_  
Date

Human Resources  Approves  Denies the employee's request for a total of up to \$\_\_\_\_\_.

\_\_\_\_\_  
Human Resources Manager Signature  
Date Revised: \_\_\_\_\_

\_\_\_\_\_  
Date

PERSONNEL POLICIES AND PROCEDURES



651 Commerce Drive  
Roseville, CA 95678

(916) 781-3636  
(916) 783-7693 Fax

www.ncpa.com

# Memo

---

**Date:** \_\_\_\_\_

**To:** \_\_\_\_\_  
(Supervisor/Manager)

**From:** \_\_\_\_\_  
Employee (print name)

---

**Subject:** Request for Payment of Accrued Vacation

---

In accordance with Agency policy, I request that \_\_\_hours of previously accrued vacation be paid to me.

I understand that not more than 120 hours of unused, accrued vacation can be paid once in a calendar year as a lump sum. I also understand that to be eligible for the vacation accrual sell back I must:

- Have a minimum accrued vacation balance of 80 hours remaining after the sell back.
- Have taken at least 40 hours of vacation, CTO or additional paid leave (policy 403.11) in the last twelve months.

I understand the aforementioned accrued vacation sell back will occur as soon as practical, but not later than the next following payroll. (check one)

\_\_\_\_\_ Combined with my regular payroll check.

\* On a second payroll check at Flat Tax (currently 25% FIT and 6.6% SIT).

\_\_\_\_\_ Roll on a pre-tax basis into my ICMA Deferred Compensation account.

\* **WARNING** - Under withholding of income tax may result in penalties and interest.  
Consult with your tax preparer before making your election above.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Supervisor Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Manager Signature

\_\_\_\_\_  
Date

Cc: Payroll (Original), Human Resources

**Payroll Purposes Only:**

Date Issued: April 24, 2016

Date Revised:

## PERSONNEL POLICIES AND PROCEDURES

### **P406.4 AVAILABILITY TO WORK**

Each employee is responsible for use of sick leave only in a manner authorized by Sick Leave Policy 406.4 and for being available to work. Unauthorized sick leave use can result in low productivity, increased Agency costs, morale problems, additional stress for co-workers and management. Unauthorized use of sick leave occurs when an employee uses sick leave for purposes other than those described in Sick Leave Policy 406.4 or misrepresents the actual reason for charging an absence to accrued sick leave. Unauthorized use may also occur when an employee establishes a pattern of sick leave usage over a period of time such as the day before or after a holiday or vacation, on Mondays and Fridays, after paydays, any one specific day or half-day. A continued pattern of excessive use that results in the employee becoming unreliable or unavailable for work also creates a hardship for the Agency and other employees.

Managers shall ensure employees use their sick leave for purposes authorized in Sick Leave Policy 406.4. This shall be accomplished by regularly monitoring and managing sick leave used in accordance with the procedure below. This procedure does not apply to at will, temporary, casual, limited term or probationary employees.

Sick leave use shall be monitored as follows:

- Each employee will be reviewed for the frequency and types of sick leave use. (Instances shall not include: Any serious health condition covered as FMLA/CFRA/Pregnancy Leave, State disability or time taken off due to a Worker's Compensation incident.)
- The employee's annual unused sick leave balance.
- The impact of the employee's absences on the workplace (e.g. disruptions in work schedule, work delays, incomplete work, overtime costs, etc.)

Responding to unauthorized or excessive use of sick leave\*:

- When a Manager feels there has been an unauthorized use, or when an employee used 64 or more hours of accrued sick leave but less than 96 hours in a calendar year for two consecutive years without advance authorization to cover a protected leave such as FMLA, CFRA, PDL, disability leave, or some other protected leave as described in the Leaves section of this manual (statutorily protected leaves), the employee will be given an oral warning and counseled about the use of sick leave. The employee may also be referred to the Employee Assistance Program, if appropriate. This warning shall be documented by the Manager.
- If there is a second instance of unauthorized use of sick leave, or the use of accrued sick leave continues to be 64 hours or more but less than 96 hours in a calendar year for three consecutive years for purposes other than statutorily protected leaves for three out of four years, the employee will be given a written reprimand. The employee may also be required to provide a doctor's statement to verify the legitimate use of future sick leave.

## PERSONNEL POLICIES AND PROCEDURES

- If there is a third instance of unauthorized use, or the use of accrued sick leave continues to be 64 hours or more but less than 96 hours in a calendar year for purposes other than statutorily protected leaves for a fourth consecutive year or four out of five years, the employee may be either suspended without pay or subject to discharge depending on the circumstances.

\*Any employee who exceeds 96 hours of sick leave use in a calendar year or who uses up his or her entire sick leave balance for purposes other than statutorily protected leaves may be subject to more serious discipline, and the Manager may skip a step in this procedure. Discipline for unauthorized use is not subject to the calendar year schedule that applies to excessive use of sick leave.

Managers will reflect how the employee's unauthorized use of sick leave has affected the employee's ability to complete job assignments and the impact on the work unit on the employee's performance appraisal.



## PERSONNEL POLICIES AND PROCEDURES

### **P406.12 PREGNANCY DISABILITY LEAVE PROCEDURE**

As outlined in Policy 406.12, the Agency will provide pregnancy disability leave per State law, separate from family care and medical leave.

Pregnancy leave is defined as the time a female employee is temporarily disabled due to a pregnancy, childbirth, or a related medical condition.

Female employees may take up to four (4) months of leave for pregnancy disability. Your supervisor may require a doctor's verification before leave is authorized.

If the maximum allowable four (4) months off is used, female employees may also be eligible to take additional time off under family care and medical leave (see Policy 406.6) for birth of (bonding with) her child.

#### **Employee's Responsibility**

The employee must provide a written request for Pregnancy Disability Leave to her supervisor 30 days prior to the beginning of the leave period whenever possible. The request for Pregnancy Disability Leave should indicate the intended date the Pregnancy Disability Leave will begin and the estimated date of return to work, following Pregnancy Disability Leave and Family Care and Medical Leave if applicable.

#### **Supervisor's Responsibility**

The supervisor will review the written request and either:

- Seek approval from the Assistant General Manager for the request for Pregnancy Disability Leave
- Request additional information prior to seeking approval
- Discuss with the employee the date(s) of her leave and the impact on the workload.

These requests are then submitted to the Human Resources Department for final approval.

## PERSONNEL POLICIES AND PROCEDURES

### P407.7 DRUG AND ALCOHOL FREE WORKPLACE PROCEDURE

NCPA has a vital interest in maintaining a safe, healthy, and efficient working environment. It is NCPA's intent to maintain a workplace free of drugs and alcohol and to discourage drug and alcohol abuse by its employees. Employees who are under the influence of a drug or alcohol on the job compromise NCPA's interests, and endanger their own health and safety and the health and safety of others. Substance abuse in the workplace can also cause a number of other work-related problems including absenteeism and tardiness, substandard job performance, increased workloads for co-workers, behavior that disrupts other employees, and inferior quality in service. Furthermore, the use, sale, purchase, transfer, or possession of an illegal drug or alcohol in the workplace also poses unacceptable risks for safe, healthy, and efficient operations.

To further NCPA's interest in complying with federal and state regulations or laws, and to further its interest in avoiding accidents, to promote and maintain safe and efficient working conditions for its employees, and to protect its business, property, equipment, and operations, NCPA has established this policy concerning the use of alcohol and drugs.

As a condition of employment with NCPA, all employees are required to abide by this policy.

#### Definitions

The following definitions apply to the terms used throughout this Drug and Alcohol Abuse Policy.

**Abuse of Any Legal Drug** means the use of any legal drug (a) for any purpose other than the purpose for which it was prescribed or manufactured; or (b) in a quantity, frequency, or manner that is contrary to the instructions or recommendations of the prescribing physician or manufacturer.

**Alcohol** means any beverage that contains ethyl alcohol (ethanol), including but not limited to beer, wine and distilled spirits.

**Contraband** means any article, the possession of which on NCPA premises or while on NCPA business, causes an employee to be in violation of an NCPA work rule or law. Contraband includes, but is not limited to, illegal drugs, alcoholic beverages, and drug paraphernalia. It also includes firearms, explosives, and lethal weapons.

**Drug testing** means the scientific analysis of urine, blood, breath, saliva, hair, tissue, and other specimens of the human body for the purpose of detecting a drug or alcohol.

**Illegal drug** means any drug or substance which is (a) not legally obtainable; or (b) is legally obtainable but has not been legally obtained; or (c) has been legally obtained but is being sold or distributed unlawfully.

**Legal drug** means any drug, including any prescription drug or over-the-counter drug, that has been legally obtained and that is not unlawfully sold or distributed.

**NCPA premises or facilities** means all property of NCPA including, but not limited to, the offices, facilities and surrounding areas on NCPA owned or leased property, parking lots, and

## PERSONNEL POLICIES AND PROCEDURES

storage areas. The term includes NCPA member power plant facilities and surrounding areas. The term also includes NCPA owned, leased or rented vehicles and equipment wherever located.

**Possession** means that an employee has the substance on his or her person or otherwise under his or her control.

**Reasonable suspicion** includes a suspicion based on specific, objective, eyewitness observations such as of an employee's manner, disposition, muscular movement, appearance, behavior, speech or breath odor; an employee's actual use or possession of alcohol or an illegal drug as defined herein; information provided to management by an employee, by law enforcement officials, by security service personnel, or by other persons believed to be reliable; or a suspicion that is based on other surrounding circumstances.

### **Prohibited Conduct**

#### **A. Scope**

The prohibitions of this section apply to all departments, all employees, all job applicants, and all independent contractors performing work for the NCPA. Furthermore, the prohibitions of this section apply whenever the interests of the NCPA may be adversely affected, including any time any of these defined individuals is:

1. On NCPA premises or facilities;
2. Conducting or performing NCPA business;
3. Operating or responsible for the operations, custody, or care of NCPA equipment or other property;
4. Responsible for the safety of others in connection with, or while performing, NCPA-related business; or
5. Driving on NCPA premises or business.

#### **B. Alcohol**

No employee shall use alcohol while on duty without authorization. In certain circumstances, an employee or independent contractor may be required to attend off-site, after hours social/business events where alcohol is served. In these situations, when the employee is authorized to attend, the consumption of a limited amount of alcohol is permitted.

The use of alcohol or a controlled substance within four (4) hours before an employee is due to report to work on NCPA premises is prohibited. An employee who is subject to "call-out" for unforeseen situations, and who has recently used alcohol should respond to the call using these guidelines:

The employee should notify the Supervisor of the recent use of alcohol and;

## PERSONNEL POLICIES AND PROCEDURES

1. Request that another qualified employee respond; or
2. If the employee is the only one qualified to respond, allow the Supervisor to make the determination whether to permit the employee to respond at a later time.

### **C. Illegal Drugs**

The following acts are prohibited and engaging in them may subject an employee to disciplinary action up to termination:

1. The unauthorized use, possession, purchase, sale, manufacture, distribution, transportation, or dispensation of alcohol while performing Agency work or on Agency premises; or
2. Being under the influence of alcohol while engaged in Agency work or applying for a position with the Agency.

Furthermore, if a job applicant engages in such conduct, such an individual will not be hired. If an independent contractor performing work for the NCPA engages in such conduct, it may result in the termination of that individual's contract with the Agency.

### **D. Legal Drugs**

The following acts are prohibited and may subject an employee to disciplinary action up to termination. Furthermore, if a job applicant engages in such conduct, such an individual will not be employed. If an independent contractor performing work for the NCPA engages in such conduct, it may result in the termination of that individual's contract with the Agency.

1. The abuse of any legal drug while performing Agency work; or
2. The purchase, sale, manufacture, distribution, transportation, dispensation, or possession of any legal prescription drug in a manner inconsistent with law while performing Agency work or on Agency premises; or
3. Working while impaired by the use of a legal drug whenever such impairment might:
  - Endanger the safety of the employee or some other person;
  - Pose a risk of significant damage to NCPA property or equipment; or
  - Substantially interfere with the employee's job performance or the efficient operation of the NCPA's business or equipment.

An employee receiving medical treatment whose treatment requires the use of a legal drug that may affect his or her performance must report such use to his or her Supervisor prior to the performance of NCPA business. The supervisor who is so informed shall contact the NCPA Human Resources Manager for guidance if needed.

## PERSONNEL POLICIES AND PROCEDURES

The undisclosed use of any legal drug by any employee that may affect the employee's performance while performing NCPA business or while on NCPA premises is prohibited. However, an employee may continue to work even though using a legal drug if his or her supervisor has determined, after consulting with the employee and the Human Resources Manager, that such use does not pose a threat to safety and that the using employee's job performance is not significantly affected so as to affect safety on the job.

### **DISCIPLINE**

#### **A. Discharge for Violation of this Policy shall proceed as follows:**

The first violation of this policy may result in termination whenever the prohibited conduct:

1. Caused serious injury to the employee or any other person, or endangered the safety of the employee or any other person;
2. Resulted in significant damage to NCPA property or equipment, or posed a risk of significant damage;
3. Involved the sale, attempt to sell, or manufacture of illegal drugs or other controlled substances on NCPA premises or while on NCPA business;
4. Involved the possession, distribution, transfer, or dispensation of illegal drugs or other controlled substances on NCPA premises or while on NCPA business;
5. Involved the failure of an employee to report, within five calendar days, a criminal conviction of any federal or state criminal drug statute for a violation occurring in the workplace or during any NCPA related activity or event.
6. Involved a positive drug/alcohol test when the employee was engaged in Agency business.

#### **B. Discretion Not to Discharge**

NCPA management may choose not to discharge an employee for a first violation of this policy if the employee satisfactorily participates in and completes an approved drug or alcohol abuse assistance or rehabilitation program when recommended by NCPA management or the employee contacts the Employee Assistance Program ("EAP") within two working days after being referred there by management and follows the recommendations made by the EAP for successful rehabilitation. The decision to discharge an employee for a violation under this policy involves consideration by the immediate supervisor or Manager, AGM and Human Resources Manager.

Any employee who is found to be in possession of or under the influence of alcohol, legal or illegal drugs or in possession of contraband in violation of this policy will be subject to major discipline up to and including discharge, and may not be subject to progressive discipline under NCPA Personnel Discipline Policy. However, the employee retains the right to appeal the discipline in accordance with NCPA policy.

## PERSONNEL POLICIES AND PROCEDURES

Written Warning: An employee who is not discharged for a first violation of this policy will receive a written warning last chance agreement and unpaid suspension. Effect of Second Violation: A second violation of this Policy at any time will result in discharge.

### **C. Last Chance Agreement**

Any employee who is found, through drug or alcohol testing, to have in his or her body a detectable amount of an illegal drug or alcohol will be subject to major discipline up to and including immediate discharge except that, notwithstanding the policy set forth above, depending on the circumstances of the case and the employee involved, the employee may be offered a one-time “Last Chance Agreement” to enter and successfully complete a rehabilitation program that has been approved by NCPA. If the employee agrees to the “Last Chance Agreement,” the employee must fully comply with the prescribed treatment program/after care and successfully complete it or he/she will face major discipline, including discharge without right of appeal. During rehabilitation, the employee will be subject to unannounced drug or alcohol testing. Upon return to work from rehabilitation, the employee will be subject to unannounced drug or alcohol testing for a period of up to sixty (60) months. Any test that is confirmed as positive during or following rehabilitation will result in discharge without right of appeal.

### **D. Effect of Criminal Conviction**

An employee who is convicted under a criminal drug statute or for driving under the influence of alcohol or drugs for a violation occurring in the workplace, during work hours, or during any NCPA-related activity or event will be deemed to have violated this Policy.

### **E. Effect of Discharge on Eligibility for Rehire**

Employees who are discharged for violation of this Policy will not be eligible for rehire by NCPA.

## **EDUCATION**

**A. Management Awareness:** Supervisors and other management or lead personnel are to be:

1. Attentive to the performance and conduct of those who work with them and should not permit an employee to work in an impaired condition or to otherwise engage in conduct that violates this policy.
2. Provided training in detecting the signs and behavior of employees who may be using drugs or alcohol in violation of this policy;
3. Provided training in the steps involved in intervening in situations that may result in violations of this policy;
4. Trained in recognizing the above activities as a direct job responsibility.

When management has reasonable suspicion to believe that an employee or employees are

## PERSONNEL POLICIES AND PROCEDURES

working in violation of this policy, prompt action will be taken.

### **B. Employee Awareness:** Employees are to be informed of:

1. The health and safety dangers associated with drug and alcohol use in the workplace;
2. The behavior of those who may be using drugs or alcohol in violation of this policy;
3. How to help a fellow employee or family member if they show signs of drug or alcohol abuse;
4. Their responsibilities under the provisions of this policy.

### **C. Criminal Convictions**

Employees must notify their supervisor of any conviction under a criminal drug statute or for driving under the influence of alcohol or drugs for a violation occurring in the workplace, during work hours, or during any NCPA-related activity or event within five (5) days after any such conviction. Failure to provide such notification within five (5) calendar days is a violation of this policy. When required to federal law, the NCPA will notify any federal Agency with which it has a contract of any employee who has been convicted under a criminal drug statute for a violation occurring in the workplace.

## **DRUG AND ALCOHOL TESTING OF JOB APPLICANTS**

As part of the NCPA's pre-employment screening process, certain applicants for employment, including applicants for part-time and seasonal positions and applicants who are former employees, are subject to drug and alcohol testing consistent with their job requirements and the Agency's business necessity before hire at the NCPA's expense.

Any offer of employment is conditioned on a negative test result.

An applicant will be notified of the NCPA drug and alcohol testing policy in the employment application process. An applicant will also be informed that the consequence of refusal to undergo the drug and alcohol testing is termination of the pre-employment process and ineligibility for employment.

If an applicant refuses to take a drug or alcohol test, or if evidence of the use of illegal drugs or alcohol by an applicant is discovered, either through testing or other means, the pre-employment process will be terminated.

## **DRUG AND ALCOHOL TESTING OF EMPLOYEES**

NCPA will notify employees of this policy by:

## PERSONNEL POLICIES AND PROCEDURES

1. Providing to each employee a copy of the policy, and obtaining a written acknowledgement from each employee that the policy has been received and read.
2. Announcing the policy in various written communications and making presentations at employee meetings.

NCPA management may perform drug or alcohol testing at NCPA's expense for the following reasons:

1. **Reasonable Suspicion Testing:** Any employee who manifests "reasonable suspicion" behavior as defined in this Policy will be subject to drug and alcohol testing. The employee will be asked about any observed behavior and offered an opportunity to give a reasonable explanation. If the employee is unable to explain the behavior, he or she will be requested to take a drug or alcohol test in accordance with the procedures outlined below.
2. **Post Incident Testing:** Any employee who may be responsible for an incident that results in severe injury or loss of life, property damage or environmental damage in the amount of \$3,000.00 or more as determined by NCPA management will be subject to drug and alcohol testing. This may also include any employee involved in an incident as noted above where responsibility has not been determined. Post incident tests are to be completed within 2-8 hours of the incident. Any employee who is to undergo a post incident test who has not yet been tested is forbidden from using drugs or alcohol within 8 hours of the incident except for those drugs provided by a medical attendant after the incident.
3. **Employees Who Have Tested Positive:** Any employee who has completed a NCPA approved drug/alcohol rehabilitation program and returned to work may be subjected to drug and alcohol testing on a random basis for up to 60 months from the date of return (See Section IV. C. above).
4. **Annual Testing:** Any employee holding safety sensitive positions that fall under Department of Transportation regulations or who is subject to drug or alcohol testing pursuant to federal or state rules, regulations or laws may be subjected to drug and alcohol testing. This testing will be scheduled through NCPA management.

An employee's consent to submit to drug or alcohol testing is required as a condition of employment. The employee's refusal to consent may result in major disciplinary action, including discharge, for a first refusal or any subsequent refusal.

Represented employees have the right to representation during discussions with management prior to a drug or alcohol test based on "reasonable suspicion." If a shop steward is not present, an available department employee may be selected by the employee to represent the interests of said employee. Such representation shall not, in any way, delay or interfere with the implementation of this policy and its related procedures.



## PERSONNEL POLICIES AND PROCEDURES

An employee's time spent on testing and travel time shall be paid under regular pay status, including overtime, if applicable.

An employee tested in a "reasonable suspicion" situation may be transported by a member of management or his/her designee to the drug/alcohol-testing clinic. Thereafter, arrangements may be made for the employee to be transported home and to pick up his or her vehicle at a later time. The employee may be suspended with pay pending receipt of written test results and for whatever inquiries may be required.

### **DRUG TESTING PROCEDURES**

In addition to the drug testing procedures set forth above for applicants at Section VI, and for employees at Section VII, the applicant and employee will have the opportunity to alert the clinic or laboratory personnel performing the drug and alcohol test to any prescription or non-prescription drugs that he or she has taken that may affect the outcome of the test.

In addition to the written notifications and acknowledgements set forth above for applicants at Section VI, and for employees at Section VII, an employee subject to testing under this policy will be asked to sign a form acknowledging the procedures governing testing, and consenting to (1) the collection of a sample for the purpose of determining the presence of alcohol or drugs, and (2) the release to NCPA of medical information regarding the test results. Refusal to sign the agreement and consent form, or to submit to the alcohol/drug test, will result in the revocation of an applicant's job offer, or will subject an employee to discipline up to and including termination.

### **APPEAL OF A DRUG OR ALCOHOL TEST RESULT**

An applicant or employee whose drug or alcohol test is reported positive will be offered the opportunity of a meeting to offer an explanation. The purpose of the meeting will be to determine if there is any reason that a positive finding could have resulted from some cause other than drug or alcohol use. NCPA, through its Human Resources Manager, will determine whether an offered explanation merits further inquiry.

Testing for drugs will follow split sample procedures. An employee whose test is reported positive will be given 72 hours to provide a written request for:

- The remaining portion of the split sample urine specimen that yielded the positive drug result, to be tested again at the same or at another laboratory.

There is no split testing available for Breath Alcohol Tests.

During the period of an appeal and any resulting inquiries, the pre-employment selection process for an applicant will be placed on hold, and the employment status of an employee may be suspended. An employee who is suspended pending appeal will be permitted to use any available accrued paid leave in order to remain in an active pay status. If the employee has no annual leave or chooses not to use it, the suspension will be without pay, but NCPA will continue the employee's health benefits. If the second sample analysis yields a negative result,

## PERSONNEL POLICIES AND PROCEDURES

the employee will be paid his or her regular base pay for the period of unpaid suspension and any accrued annual leave that was used will be credited back to the employee.

### **REHABILITATION AND EMPLOYEE ASSISTANCE**

NCPA maintains an Employee Assistance Program (“EAP”), which provides help to employees who seek assistance for drug or alcohol abuse, as well as for other personal or emotional problems. Employees who suspect that they may have alcohol or drug problems, even in the early stages, are encouraged to voluntarily seek diagnosis and to follow through with the treatment as prescribed by qualified professionals. Employees should be aware that participation in the EAP will not necessarily shield them from disciplinary action for a violation of this policy, particularly if discipline is imposed for a violation occurring before the employee seeks assistance.

Any employee who wishes to voluntarily enter and participate in an alcohol or drug rehabilitation program will be reasonably accommodated, if the circumstances so warrant, provided that the reasonable accommodation does not impose an undue hardship to NCPA. However, no accommodations will be provided to employees who continue to abuse alcohol or illegal drugs while actively working for NCPA.

As set forth above, at Section IV. C., at the discretion of management, rehabilitation assistance in lieu of disciplinary action or discharge may be offered.

An employee who is in a rehabilitation program will be placed on unpaid leave of absence, and may use any available accrued paid leave. An employee who is in a rehabilitation program or who has completed rehabilitation will be allowed to return to work upon presentation of a written release signed by a licensed physician or recognized rehabilitation professional. The release must include a statement to the effect that the employee is fit to perform his or her duties, and the employee’s presence in the workplace will not constitute a safety hazard to the employee, co-workers or others.

Rehabilitation assistance given by NCPA will be:

1. Limited to those medical benefits that may be available in the employee’s benefits plan. The treatment program should include medical monitoring, treatment, counseling, testing and detoxification if needed.
2. Limited to those benefits that may be obtained through an Agency-provided rehabilitation program where treatment plan/program and cost have been pre-approved by NCPA.
3. Provided after release from the formal treatment program, so that follow-up treatment obtained by the employee occurs during times that will not conflict with the employee’s work time, except that the employee may use any available sick leave or accrued paid leave to be absent from the job with pay.

## PERSONNEL POLICIES AND PROCEDURES

NCPA will provide to any employee, upon request and at no cost to the employee, information concerning local resources that are available for the treatment of drug and alcohol related problems and concerning the use of the Agency's Employee Assistance Program.

### **INSPECTIONS AND SEARCHES**

If there is a reasonable suspicion that this policy is being violated, NCPA may conduct unannounced general inspections and searches for drugs or alcohol or related paraphernalia on NCPA premises or in NCPA vehicles or equipment wherever located. Employees are expected to cooperate.

Search of an employee and his or her personal property may be made when there is of this reasonable suspicion to conclude that the employee is in violation policy. Such searches will be for drugs or alcohol or related paraphernalia.

An employee's consent to a search is required as a condition of employment, and the employee's refusal to consent may result in disciplinary action, including discharge, even for a first refusal.

Illegal drugs, drugs believed to be illegal, and drug paraphernalia found on NCPA property will be turned over to the appropriate law enforcement agency and full cooperation will be given by NCPA to any subsequent investigation. Substances that cannot be identified as an illegal drug by a layman's examination will be turned over to a forensic laboratory for scientific analysis.

Other forms of contraband, such as firearms, explosives, and lethal weapons, will be subject to seizure during an inspection or search. An employee who is found to possess contraband, as defined herein, on NCPA property or while on NCPA business will be subject to major discipline up to and including discharge.

If an employee is the subject of a drug-related investigation by NCPA or by a law enforcement agency, the employee may be suspended pending completion of the investigation.

### **CONFIDENTIALITY**

Disclosures made by employees to the Human Resources Manager concerning those employees' use of legal drugs will be treated confidentially and will not be revealed to managers or supervisors unless there is an important work-related reason to do so in order to determine whether it is advisable for the employee to continue working. Disclosures made by employees to the Human Resources Manager concerning the participation by those employees in any drug or alcohol rehabilitation program will be treated confidentially. Where required by law, or overriding public health and safety concerns, information subject to this confidentiality clause will be disclosed. An employee is entitled to obtain copies of records pertaining to the employee's use of prohibited drugs or alcohol, including any records pertaining to his or her drug or alcohol tests.

PERSONNEL POLICIES AND PROCEDURES

**NON-UNION STAFF GRIEVANCE FORM (PROCEDURE 407.9)**

Name \_\_\_\_\_ Department \_\_\_\_\_

Position \_\_\_\_\_ Work Phone \_\_\_\_\_

**INSTRUCTIONS:** The Grievance procedure has three steps. The first is informal resolution, the second a formal written grievance and the third a review by the General Manager. Each step is required before the next step may be initiated. This form may be used by an employee to initiate a formal grievance at Step 2 after Step 1 has been completed.

The policy is found in the Personnel Policy and Procedures Manual.

**STEP 1 INFORMAL RESOLUTION**

Step 1 of the grievance process is an informal resolution. You and your supervisor are encouraged to resolve your grievance at this step. Please advise your supervisor that your informal discussion constitutes Step 1 of the Grievance procedure.

**STEP 2 FORMAL GRIEVANCE**

From the date of the grievable event, you have 15 calendar days to file a formal, written grievance. The written grievance is considered filed when it is submitted to your immediate supervisor and the Human Resources Director.

You must provide the following information:

- 1) The date of the grievable event: \_\_\_\_\_
- 2) A specific statement of the written law, rule policy and/or procedure violated. What action or conduct constituted the violation and what happened?

\_\_\_\_\_ Total Number of Page Attached: \_\_\_\_\_

- 1. The resolution or remedy you want.

\_\_\_\_\_  
\_\_\_\_\_

- 2. Employee signature and date filed with supervisor/manager.

\_\_\_\_\_ Date: \_\_\_\_\_

\_\_\_\_\_  
Supervisor's/Manager Signature

\_\_\_\_\_  
Date received from employee

**STEP 3 FORMAL GRIEVANCE**

If you do not resolve your grievance at Step 2, you may advance the grievance to Step 3 by notifying the General Manager in writing. The notification of appeal must be in writing and must be received within 15 calendar days of receipt of management's response at Step 2.

## PERSONNEL POLICIES AND PROCEDURES

### **P407.10 SERVICE RECOGNITION PROCEDURE**

This procedure provides for the recognition of employees for their length of service with the Agency.

#### **Timing and Nature of Awards**

- Awards are granted starting at five (5) years and for each five-year increment thereafter;
- Presentation of service awards is semi-annually; and
- An appropriate presentation ceremony will be held.

#### **Presentation Ceremonies**

Each NCPA location may determine the manner in which service awards are presented provided that:

- Presentation ceremonies held during work hours are reasonable in duration and consistent with the Agency's mission and business needs; and
- Expenses incurred for the presentation of service awards are just, reasonable, and necessary for providing an appropriate event.
- Each location may combine service award presentations with other recognition ceremonies if desired.

#### **Calculating Service**

“Service” is defined as the length of time the employee served as a continuous regular full-time employee with NCPA.

#### **Service Recognition Award Items**

Service recognition gift items are provided through the Human Resources Department. Employees eligible for service awards receive a gift card in an amount that is based on their years of service. Awards are delivered to the employee's work location.

**P407.11 SUGGESTION AND AWARD PROCEDURE**

**Definition of a Suggestion**

Suggestions can apply to safety, service, efficiency and reliability improvements. A special category identifies waste minimization, pollution prevention, and emissions reduction ideas.

**Making a Suggestion**

- A. Once an employee identifies an area for improvement, the employee shall complete a Suggestion form. (Copy attached to this procedure) Included on this form are:
  - 1. A description of the problem or opportunity that exists.
  - 2. The suggestion from the employee on how to resolve the problem or capitalize on the opportunity. Employees should include sketches or drawings as reference to show the existing condition and the condition following implementation of the suggestion.
  - 3. The employee should include cost estimates for making the improvement. This should include any quotes or estimates obtained from contractors, suppliers, or vendors.
  - 4. The employee should include what the expected benefits are for implementing the suggestion. This should include all tangible and intangible benefits. If possible, include Return-on-Investment (ROI) information.
  - 5. The employee should also include any other comments or information that helps to substantiate the improvement.
  
- B. The completed form shall be submitted to the department's Administrative Assistant or other designated coordinator who will initiate the following:
  - 1. Assign the suggestion a listing number and add it to the Suggestion Master Tracking Sheet. (Copy attached to this procedure).
  - 2. The Master Tracking Sheet includes:
    - a) The listing number of the suggestion.
    - b) The date the suggestion form and documentation is received.
    - c) The name of the employee that submitted the suggestion.
    - d) A summary of the suggestion.
    - e) The date that the review of the suggestion is assigned.
    - f) The person (or persons) that the review of the suggestion is assigned to.
    - g) The final conclusion (adopted or not).
    - h) The date the suggestion is closed.
    - i) If the suggestion is approved, the date the check request was

## PERSONNEL POLICIES AND PROCEDURES

- submitted for the \$50 reward.
- j) The date the check was presented, if applicable.

### **Review Process**

An individual or a panel of individuals might be assigned to review the suggestion. This review “panel” could be made up of managers, supervisors, or professional staff. Knowledge of or experience with equipment or processes connected with the suggestion will be used to determine the most qualified evaluator(s).

The suggestion assignment designee will be made known to the suggester by way of email. The suggester will then be periodically updated as to the status of the suggestion if the evaluation process is taking an excessive length of time. The suggestion reviewer(s) will be tasked with:

1. Reviewing the suggestion for completeness. If further information is needed, the reviewer(s) will contact the employee that submitted the suggestion and request that further information.
2. Ensure that the suggestion meets the intent of the program.
3. Determine if the suggestion is feasible and that the ROI calculations (if applicable) are correct. If the suggestion is determined not to be feasible, the employee that submitted the suggestion will be informed as to the reasons why.
4. If the suggestion meets the intent of the program and provides benefit, the reviewer(s) will inform the facility manager of their findings.

### **Suggestion Award**

For any suggestion that is implemented, the suggester will be awarded a check in the amount of \$50. Managers will determine the appropriate time to present the check, however, checks will be awarded at least twice per year.

### **Use of Suggestion Form**

Suggestions are to be emailed directly to the department’s Administrative Assistant or coordinator at each facility.

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**SUGGESTION**

For improving a Condition at NCPA: CT1, CT2, Geo, Hydro, Roseville, or Stig Facilities. ( ) Check here if suggestion reduces waste and/or pollution - forward to EH&S.

**Describe the problem (or opportunity) that now exists:**

**What do you suggest should be done (if useful, attach sketches, drawings, etc.):**

**What, if any, are the estimated costs to do what is suggested (if possible, attach any appropriate quotes or estimates obtained from contractors, vendors, suppliers, etc.):**

**What are the benefits of implementing the suggestion?**

**Any other comments: (ex. was the pollution prevented a hazardous waste?)**

**Date:**

**Name:**

\_\_\_\_\_

\_\_\_\_\_





**P408.1 WORK INCURRED INJURY/ILLNESS MEDICAL APPOINTMENT**

**Purpose**

NCPA management makes it a priority to provide a safe work environment. Despite everyone's efforts to maintain a safe workplace, an employee can be injured or become ill as a result of his or her job. In addition to the Illness and Injury Prevention Plan, this procedure provides guidance for the reporting and initial treatment of a work incurred injury or illness which may occur as a result of a:

- Vehicle Accident

An event that results in harm to those involved.

- Minor Accident

Is an accident that results in an injury for which no medical care beyond first aid is required.

- Lost-Time Accident/Illness

Any work-related injury/illness that results in a loss of at least one (1) fully scheduled workday.

**Accident Notification Process**

Accidents and illnesses on the job require immediate notification to the employee's supervisor or a designated management person. Accidents resulting in more than \$3,000 in damage or personal injury require a post-accident drug/alcohol screening. Please see the Drug and Alcohol Free Workplace Procedure for more details on this screening.

The accident/illness must be reported as soon as possible to Human Resources by the Supervisor/Manager so that a Worker's Compensation claim can be initiated and filed.

**Employee Visits to Physicians**

A Doctor Referral Form should be completed if an employee is referred to an approved physician or medical facility for initial treatment of a work-incurred injury or illness. The Supervisor or Manager shall accompany an employee to the medical facility and be available to discuss restrictions or light duty work with the physician. Even if the need for medical treatment occurs after hours or outside the employee's shift, the employee needs to immediately notify the Supervisor or Manager so that he or she can meet the employee at the medical treatment center. The Supervisor is not to be present when the medical examination or treatment is taking place. The Supervisor is present to explain the employee's job description and answer any questions about work restrictions or accommodations that can be made for light duty work.

## PERSONNEL POLICIES AND PROCEDURES

The first visit to a physician or hospital following an occupational injury or illness that occurs during the employee's regular work shift shall be compensated by the Agency at straight time pay. This paid time off for medical treatment shall not count as hours worked toward the calculation of overtime for hourly employees. A Worker's Compensation appointment must be noted on the employee's timesheet and reflect the number of regular hours to be paid for the time spent in the first appointment.

If the first Worker's Compensation medical appointment occurs outside of, or continues outside the employee's work schedule or occurs on a day off, wages are not provided by NCPA. Future visits to a physician or for follow-up medical treatment that occur during an employee's work shift may be compensated by the employee's election to use accrued sick leave or other accrued paid time off until such time as the claim is paid by the Worker's Compensation Insurance provider. Future medical appointments should be scheduled so that they occur with the least disruption to the work schedule. These appointments should also be noted on the employee's timesheets for Worker's Compensation claim tracking/reporting.

Any questions about this procedure should be directed to the Human Resources staff.

## **P408.4 WORKPLACE VIOLENCE PREVENTION PROCEDURE**

As outlined in Policy 408.4, it is the policy of the Agency not to tolerate violence or the threat of violence to any person or facility within its jurisdiction. This procedure prescribes the focus needed for prevention of violence at work, whether the violence originates inside or outside the workplace. It applies to all workplace locations including offices and field sites and it includes regular work hours, overtime hours, and meal times.

A violent workplace incident is defined as any incident involving physical assault, threatening or coercive behavior (whether verbal or physical), or violent criminal act directed toward any person or facility within the jurisdiction of the Agency.

### **DUTIES and RESPONSIBILITIES**

#### **Employees**

- Follow the guidelines set forth in this policy/procedure and the security requirements for your facility
- Complete appropriate training as required
- Conduct themselves in a professional manner and treat others with respect, fairness, and dignity
- Immediately report any threat or violent act to their Supervisor or Manager and the Human Resources Manager.

#### **Supervisors**

- Ensure employees are appropriately trained consistent with workplace violence prevention practices
- Document all reported incidents of workplace violence and implement employee disciplinary action
- Notify appropriate authorities if someone poses a danger to him/herself or others
- Refer employees to assistance programs after critical incidents

#### **Contractors**

- Ensure all employees conduct themselves in a professional manner, refraining from profanity and derogatory expressions or names
- Ensure employees are trained in workplace violence prevention
- Work with NCPA site contact to ensure compliance with workplace violence prevention and this policy/procedure

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### **Safety and Human Resources Staff**

- Provide technical support for interpretation and implementation of workplace violence prevention
- Develop, conduct, coordinate, and/or approve workplace violence prevention training programs
- Review, update and evaluate the effectiveness of the violence in the workplace prevention program
- Refresher training is conducted every three years or when the need for more frequent training is recognized.

### **SCOPE OF THE WORKPLACE VIOLENCE PROBLEM**

California joins a growing list of states in which assault and the violent acts represent the leading cause of death in the workplace. The demographic profile of victims of fatal workplace assaults indicates that the majority are male. However, even though the overall fatal workplace injury rate for women is substantially lower than it is for men, homicides represent the leading cause of death for women in the workplace. Homicide is only part of the workplace violence problem - assaults which result in nonfatal injury, or in the threat of harm, are more common than those which result in fatal injury.

Harassment is also considered a form of workplace violence. Harassment is not just defined as sexual harassment. Harassment includes any behavior that demeans, embarrasses, humiliates, annoys, alarms or verbally abuses a person. Verbal abuse is related to workplace violence. It can include swearing, insults or condescending language.

### **WORKPLACE VIOLENCE CHARACTERISTICS**

The characteristics may involve a threat of violence, or a physical act of violence resulting in a fatal or nonfatal injury, to an employee, supervisor or manager of the affected workplace by the following types of individuals:

1. A current or former employee, supervisor or manager; or some other person who has a dispute with an employee in the affected workplace, e.g. current/former spouse or lover, relative, friend or acquaintance.
2. Most commonly, the primary target is a co-employee, a supervisor or manager of the assailant. In committing this “type” of assault, an individual may be seeking revenge for what he or she perceives as unfair treatment by a co-employee, a supervisor or manager of the assailant. Increasingly, these events involve domestic or romantic disputes in which an employee is threatened in their workplace by an individual with whom they have a personal relationship outside of work.

## PERSONNEL POLICIES AND PROCEDURES

3. At first glance, an assailant's actions may defy reasonable explanation. Often, though, his or her actions are motivated by perceived difficulties in his or her relationship with the victim, or with the affected workplace, and by psychosocial factors which are peculiar to the assailant.

### **Prevention Strategy**

NCPA has established and implemented procedures to respond to workplace security hazards when they are present. Additionally, NCPA provides training to all employees, supervisors and managers that establishes a clear antiviolence management policy, which addresses workplace violence prevention.

As part of NCPA's anti-violence prevention strategy, NCPA assesses the following:

1. How well our Agency's anti-violence policy has been communicated to employees, supervisors or managers.
2. How well our management and employees communicate with each other during actual emergencies.
3. Access to and freedom of movement within, the workplace by non-employees, including recently discharged employees or persons with whom one of our employees is having a dispute.
4. Frequency and severity of employee reports of threats of physical or verbal abuse by managers, supervisors or other employees.
5. Any prior violent acts, threats of physical violence, verbal abuse, property damage or other signs of strain or pressure in the workplace.
6. Employee disciplinary and discharge procedures.
7. Pre-employment screening practices.
8. Employee assistance programs.
9. The area/neighborhood of work locations.

### **Hazard Correction**

Hazards which threaten the security of workers shall be corrected in a timely manner based on severity. Corrective measures for workplace security hazards can include:

1. Utilizing surveillance measures, such as cameras, to provide information as to what is going on in or near the workplace.
2. Procedures for the reporting of suspicious persons or activities.

## PERSONNEL POLICIES AND PROCEDURES

3. Posting of emergency telephone numbers for law enforcement, fire and medical services.
4. Limiting the amount of cash on hand.
5. Effectively communicating our anti-violence policy to all employees, supervisors and managers.
6. Training to improve management and employees communication with each other.
7. Increasing awareness by employees, supervisors and managers of the warning signs of potential workplace violence.
8. Controlling access to, and freedom of movement within, the workplace by non-workers, including recently terminated employees or persons with whom one of our employees is having a dispute.
9. Providing counseling to employees, supervisors or managers who exhibit behavior that represents strain or pressure which may lead to physical or verbal abuse of others.
10. Ensure that all reports of violent acts, threats of physical violence, verbal abuse, property damage or other signs of strain or pressure in the workplace are handled effectively by management and that the person making the report is not subject to retaliation by the person making the threat.
11. Ensure that the disciplinary and discharge procedures address the potential for workplace violence.
12. Having effective systems to warn others of a security danger or to summon assistance.
13. Providing procedures for a “buddy” system for certain situations.
14. Providing worker training in recognizing and handling threatening or hostile situations that may lead to violent acts.

### **Incident Investigation**

NCPA has established the following procedure for investigating incidents of workplace violence (including threats and physical injury):

1. Review all previous incidents in the past five years.
2. Visit the scene of an incident as soon as possible.
3. Interview threatened or injured employees and witnesses.

## PERSONNEL POLICIES AND PROCEDURES

4. Examine the workplace for security risk factors associated with the incident, including any previous reports of inappropriate behavior by the perpetrator.
5. Taking corrective action to prevent the incident from recurring.
6. Recording the findings and corrective actions taken. Records of the incident investigation and recommendations shall be maintained by the Human Resources Department for seven years.

### **Training and Instruction**

Training for all employees, including managers and supervisors, will be repeated every three years or more often if needed. Training includes:

1. Review and definition of workplace violence;
2. Instructions on how to report all incidents;
3. Methods of recognizing and responding to workplace security hazards;
4. Training on how to identify potential workplace security hazards (such as no lights in parking lot while leaving late at night, unknown person loitering outside the building, etc.);
5. Use of security equipment and procedures;
6. How to attempt to diffuse hostile or threatening situations;
7. How to summon assistance in case of an emergency;
8. Post-incident procedures, including reporting the incident.





# Commission Staff Report

**DATE:** April 12, 2016

**COMMISSION MEETING DATE:** April 21, 2016

**SUBJECT:** Approve Revisions to NCPA's Personnel Policy and Procedure Manual

**AGENDA CATEGORY:** Consent

<b>FROM:</b> Vicki Cichocki Human Resources Manager	<b>METHOD OF SELECTION:</b>
Division: Executive Services	N/A
	<i>If other, please describe:</i>

**IMPACTED MEMBERS:**

All Members	<input checked="" type="checkbox"/>	City of Lodi	<input type="checkbox"/>	City of Ukiah	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>	Plumas-Sierra REC	<input type="checkbox"/>
Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input type="checkbox"/>	Other	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>		<input type="checkbox"/>

*If other, please specify.*

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*Place an X in the box next to the applicable Member(s) above.*

## **RECOMMENDATION:**

NCPA recommends that the Commission approve revisions to NCPA's Policy and Procedure Manual language to bring it into alignment with existing state and federal labor laws.

## **BACKGROUND:**

A comprehensive review of NCPA's Personnel Policy and Procedure Manual has not taken place since 2008. Since that point in time, a number of laws have been passed or have been revised, at both the state and federal level, which give employees certain rights, and place requirements on the Agency or its employees. To ensure the Agency and its employees have accurate information, to ensure compliance with new legal requirements and to safeguard management rights the Agency has updated its Personnel Policy and Procedure Manual.

Revisions or additions have been made to numerous sections of the manual including:

- Manual Introduction
- 400 Purpose
- 401 General Definitions
- 402 Classification
- 403.8 Transportation
- 403.10 Overtime Compensation
- 404.2 Alternative Work Week
- 405.6 Deferred Compensation Plan
- 405.7 Retirement Health Insurance
- 406.4 Sick Leave
- 406.4.1 Sick Leave for Casual and Part-time Employees
- 406.6 Family and Medical Leave Under FMLA and CFRA
- 406.9 Military Leave
- 406.13 Parents' Leave to Participate in School Activities
- 406.15 Organ or Bone Marrow Donation Leave
- 406.17 Victim of Domestic Violence Leave
- 406.18 Victim of Crime Leave
- 407 Employee Conduct
- 409 Non-Discrimination and Harassment
- 415 Discipline
- P402.1 Temporary/Casual Staff Hiring Procedure
- P403.10 Overtime Compensation ( Comp. Time Off) Procedure
- P406.4 Availability to Work
- P 407.7 Drug and Alcohol Free Workplace Procedure

The proposed policy language changes are shown in the attached document.


**FISCAL IMPACT:**

There is no fiscal impact associated with this change.

**ENVIRONMENTAL ANALYSIS:**

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Randy S. Howard". The signature is written in a cursive style with a large initial "R" and "H".

RANDY S. HOWARD  
General Manager

Attachments:

- Resolution 16-35
- NCPA Personnel Policies and Procedures

RESOLUTION 16-35

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVE REVISIONS TO NCPA'S PERSONNEL  
POLICY AND PROCEDURE MANUAL

(reference Staff Report #147:16 )

WHEREAS, NCPA's Personnel Policy and Procedure Manual ("Manual") has not had a comprehensive review since 2008; and

WHEREAS, NCPA Staff have now updated the Manual to bring it into alignment with state and federal legislation and

WHEREAS, all changes to the Manual have had review by legal counsel; and

WHEREAS, NCPA has obtained both IBEW 1245 and HEA approval of the proposed revisions to the Manual; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

WHEREAS, the Commission wishes to ensure that Agency policies and procedures are current, are legally compliant, and well-communicated; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency approves the revisions to the Agency's Personnel Policy and Procedure Manual.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2016, by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

\_\_\_\_\_  
CAROL GARCIA  
CHAIRPERSON

ATTEST:

\_\_\_\_\_  
CARY PADGETT  
ASSISTANT SECRETARY

#19



# Commission Staff Report

**DATE:** April 13, 2016

**COMMISSION MEETING DATE:** April 21, 2016

**SUBJECT:** Lodi Energy Center May Outage Additional Work and Increased Cost; Applicable to the following project: LEC

**AGENDA CATEGORY:** Discussion/Action

<b>FROM:</b> Ken Speer <i>KS</i>	<b>METHOD OF SELECTION:</b>
Generation Services	
<b>Division:</b> Generation Services	Other
	<i>If other, please describe:</i> Work involving gas turbine performed under terms of Long Term Maintenance Agreement; other work bid per NCPA procurement policies and procedures

**IMPACTED MEMBERS:**

All Members	<input type="checkbox"/>	City of Lodi	<input checked="" type="checkbox"/>	City of Ukiah	<input checked="" type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input checked="" type="checkbox"/>	Plumas-Sierra REC	<input checked="" type="checkbox"/>
Bay Area Rapid Transit	<input checked="" type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Biggs	<input checked="" type="checkbox"/>	City of Redding	<input type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Gridley	<input checked="" type="checkbox"/>	City of Roseville	<input type="checkbox"/>	Other	<input checked="" type="checkbox"/>
City of Healdsburg	<input checked="" type="checkbox"/>	City of Santa Clara	<input checked="" type="checkbox"/>		<input type="checkbox"/>

*If other, please specify.*

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City of Azusa; CDWR; MID, and PWRPA

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*Place an X in the box next to the applicable Member(s) above.*

**RECOMMENDATION:**

Approve Resolution 16-34 approving the Lodi Energy Center May outage and associated cost increase from \$1,032,390 to not to exceed \$1,460,565, due to additional work needed to service the generator bearing and inlet guide vanes on the gas turbine; and authorizing the NCPA General Manager or his designee to execute agreements and issue purchase orders necessary to carry out this work.

**BACKGROUND:**

Each year LEC is required to shutdown to perform maintenance and inspections on equipment to ensure safe, reliable operation. In February, LEC experienced a failure on the gas turbine that required most of the work planned for May to be done during the February outage. Some work, however, could not be performed until May because parts were not available until that time. Since completion of the work done during the February outage, a couple of additional items have been identified and need to be done during the May outage. The following identifies the work to be performed:

<u>Work Item</u>	<u>Cost</u>	
Exhaust Flow Shield/Exp. Joint	\$ 444,000	
HRSG Transition Duct	\$ 261,000	
Balance of Plant Work	\$ 273,900	
Generator Bearing Repair	\$ 283,853	Additional work
IGV Work	\$ 144,322	Additional work
Contingency	\$ 53,490	
Total	\$1,460,565	

The exhaust gas flow shield has failed on the gas turbine and needs to be replaced. The parts for this work were ordered earlier and are currently on site. The Heat Recovery Steam Generator (HRSG) transition duct has had two failures in the last year causing forced outages to make the repairs. The HRSG manufacturer has a new design which should eliminate this problem. The work above was approved as a part of the February emergency outage/overhaul work. Parts are still on order and expected to arrive in the next couple of weeks. Balance of Plant work includes numerous small items and includes failed valves, preventative maintenance of pumps and motors. This work is necessary to keep the plant operating reliably.

A couple of additional items have been identified. One of the generator bearings has had a couple instrumentation failures over the last two years. Each time we have repaired the instrumentation problems we found minor damage to the bearing. The first time minor repairs to the bearing were completed. During the February outage much more extensive damage was found and it is recommended this bearing be completely disassembled to find the root cause of the problem. If left unrepaired, the bearing will continue to deteriorate and eventually fail in service.

The gas turbine uses adjustable inlet guide vanes (IGV) to control air flow through the engine. These IGVs are showing wear on linkages and bushings which need to be repaired. If left unrepaired, it will eventually lead to a loss of power and efficiency from LEC.

**FISCAL IMPACT:**

Total cost of the May outage project is \$1,460,565 to be funded as follows:

Operating Reserves (as approved from February belly band/outage work	\$ 444,000
Routine O&M Budget	\$1,016,565
Total May Outage Cost	\$1,460,565

**SELECTION PROCESS:**

The work is divided into categories, the work involving the gas turbine will be performed under the terms of the Long Term Maintenance Agreement entered into with Siemens in 2010 and amended in 2014. Other work is being bid per NCPA procurement policies and procedures.

**ENVIRONMENTAL ANALYSIS:**

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

**COMMITTEE REVIEW:**

The recommendation above was reviewed by the Lodi Energy Center Participant Committee on April 11, 2016 and was approved.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments (1):  
• Resolution

RESOLUTION 16-34

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING THE LODI ENERGY CENTER MAY OUTAGE AND ASSOCIATED  
COST INCREASE AND AUTHORIZING THE GENERAL MANAGER OR HIS  
DESIGNEE TO EXECUTE AGREEMENTS AND PURCHASE ORDERS TO CARRY  
OUT THE WORK

(reference Staff Report #146:16)

WHEREAS, each year the Lodi Energy Center (LEC) is required to shutdown to perform maintenance and inspections on equipment to ensure safe, reliable operation; and

WHEREAS, In February, LEC experienced a failure on the gas turbine that required most of the work planned for May to be done during the February outage. Some work, however, could not be performed until May because parts were not available until that time; and

WHEREAS, since completion of the work done during the February outage, additional items have been identified and need to be done during the May outage; and

WHEREAS, on April 11, 2016, the LEC Project Participant Committee approved the May outage and associated cost increase from \$1,032,390 to not to exceed \$1,460,565, due to additional work needed to service the generator bearing and inlet guide vanes on the gas turbine, and authorized NCPA to execute agreements and issue purchase orders necessary to carry out this work; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency approves the Lodi Energy Center May outage and associated cost increase from \$1,032,390 to not to exceed \$1,460,565, due to additional work needed to service the generator bearing and inlet guide vanes on the gas turbine; and authorizing the NCPA General Manager or his designee to execute agreements and issue purchase orders necessary to carry out this work.

PASSED, ADOPTED and APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2016 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____



Santa Clara  
Truckee Donner  
Ukiah  
Plumas-Sierra

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

\_\_\_\_\_  
CAROL GARCIA  
CHAIRPERSON

ATTEST: \_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY



# Commission Staff Report

DATE: April 11, 2016

COMMISSION MEETING DATE: April 21, 2016

SUBJECT: Approval of Fiscal Year 2017 Annual Budget

AGENDA CATEGORY: Discussion/Action

<b>FROM:</b> Donna Stevener	<b>METHOD OF SELECTION:</b>
Division: Administrative Services	N/A

**IMPACTED MEMBERS:**

All Members	<input checked="" type="checkbox"/>	City of Lodi	<input type="checkbox"/>	City of Ukiah	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>	Plumas-Sierra REC	<input type="checkbox"/>
Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input type="checkbox"/>	Other	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>		<input type="checkbox"/>

*If other, please specify.*

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*Place an X in the box next to the applicable Member(s) above.*

## **RECOMMENDATION:**

Recommend that the NCPA Commission:

1. Adopt and approve the FY 2017 Annual Budget as outlined in Resolution 16-26 and as detailed in the attached budgetary support and Annual Budget Document.

## **BACKGROUND:**

In October 2015, the Commission approved budget guidance for the NCPA FY 2017 Annual Budget. Staff began preparation of the proposed budget during the subsequent months. From January through April 11, 2016, various presentations on the budget were made as follows:

- Facilities Committee (February 17, March 16)
- Legislative and Regulatory Committee (February 24)
- Utility Directors (March 18 - retreat)
- Budget Preview (Commission meeting March 31)
- Lodi Energy Center Project Participants Committee (February 8, March 9, April 11)

Presentations made to Commission Committees during review of the proposed FY 2017 Annual Budget can be found on the NCPA website at: [www.ncpa.com](http://www.ncpa.com) under the Meetings heading/Committees subheading on the dates indicated. The entire budget document is also included on the attached CD for your convenience.

All changes resulting from the budget review meetings have been incorporated into the proposed FY 2017 Annual Budget.

This budget totals \$328.5 million (net of revenues). Overall results are \$3.5 million dollars or 1.1% higher than the FY 2016 budget. Operating costs (non-personnel related) are 1.3% below 2016 levels, below the 2.4% increase target established by the Commission. Budget highlights include:

- Addition of 1.5 FTE position proposed in Human Resources/Administration (0.5) and Power Settlements (1.0) to cover new services for members and potential new customers.
- Increase in actuarial requirements for PERS pension and retiree medical benefits, increased health care premiums and negotiated salary increases with the unions resulted in increased labor costs from last year of \$2.7 million or 8.0%.
- Debt service costs continue at higher levels due to federal budget cuts to the Build America Bonds interest subsidy program (\$0.5 million). Restoration of this funding continues to be a focus of current advocacy efforts in Washington DC.
- Increased California Independent System Operator grid costs (\$5.0 million) due to addition of statewide transmission projects into the charges.
- Lower fuel costs due to low natural gas prices (\$5.6 million).
- Reductions at various generating plants for funding of projects (\$0.9 million) and reduced property insurance and other costs (\$0.4 million).
- Lower power prices with stable load projections (\$0.3 million).
- Lower revenues from energy sales and ancillary services due to lower prices (\$0.3 million).

To provide a more detailed preview, staff will present a brief PowerPoint overview at the Commission meeting outlining the major changes in the budget from last year, as well as changes from the Budget Preview provided at the March 31, 2016 Commission meeting. A summary of the proposed budget and a copy of the PowerPoint presentation are attached.

### Budget Allocations

Portions of the NCPA Operating Budget are not directly attributable to specific programs or projects and require allocation methodologies to fairly divide the costs among the members. Examples of such programs include Power Management, Legislative and Regulatory (L&R) and the Administrative Services/Executive Management (A&G) programs. Over the years, allocation methods for each of these areas have been developed and approved by the Commission as part of the budget process. In 2008, NCPA hired a consultant, Nexant, to perform a review of the Power Management cost allocation methodology. On January 28, 2010, the Commission approved an updated cost allocation methodology for the Power Management costs via Resolution 10-16, and this methodology was fully implemented in fiscal year 2012; the methodology is reviewed annually and minor changes have been approved by the Commission over the last 6 years. In addition, on December 2, 2010 the Commission approved a new cost allocation methodology for the L&R programs via Resolution 10-106. The methodologies were phased in over five years and are reviewed annually to ensure costs are equitably allocated to members. The A&G allocations remain unchanged from previous years.

### JPA Assessment

In accordance with the revised NCPA Joint Powers Agreement (JPA), the annual cash contribution for members (maximum assessment per JPA is \$0.15 per MWh of load) is calculated as part of the budget process. The calculation for the proposed FY 2017 NCPA budget results in an aggregated assessment of \$1,379,626, an effective rate of \$0.15 per MWh of load. Approval of this assessment is a part of the resolution adopting the Annual Budget. Calculation worksheets are shown on page 186 and 187 of the Annual Budget.

### Salary and Labor Changes

Assumptions used in the budget process for salary and labor estimates and proposed changes to salary and pay schedules, classification and position changes recommended for implementation during FY 2017 are included as pages 175 to 182 of the Annual Budget. Approval of these items are part of the resolution adopting the Annual Budget.

### **FISCAL IMPACT:**

Total proposed annual budget cost for FY 2017 is approximately \$328.5 million, which represents an increase of 3.5 million or 1.1% over the FY 2016 budget.

See the Executive Summary section of the budget document for the analysis of the overall budget.

Allocation of the FY 2017 NCPA Budget between members and LEC participants are based on participation levels in NCPA programs and projects and the approved cost allocations discussed above. Final funding allocation for each member is attached to this staff report and shown on page 184 of the budget document.

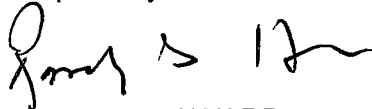
**ENVIRONMENTAL ANALYSIS:**

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

**COMMITTEE RECOMMENDATION:**

The proposed budget was reviewed as reported on the previous pages by various NCPA Commission Committees. On March 16, 2016, the Facilities Committee met and recommended approval of the proposed FY 2017 Generation Services, Power Management, and Administrative and General Budget with 8 Ayes by those members present. On February 24, 2016, the Legislative and Regulatory Committee met and also unanimously recommended approval of the proposed FY 2017 Legislative and Regulatory budget. On April 11, 2016, the LEC Participant Committee met and those present unanimously approved the LEC Project budget.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments:

- Resolution 16-26
- Budget Summary
- Participant Funding Summary
- Pay Schedule
- PowerPoint Presentation
- Complete copy of proposed budget are included on CD

## RESOLUTION 16-26

### RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY ADOPTING THE FISCAL YEAR 2017 ANNUAL BUDGET

(reference Staff Report #138:16)

WHEREAS, the Amended and Restated Northern California Power Agency Joint Powers Agreement ("the JPA") provides in Article III section 3 that,

"3. None of the debts, liabilities, or obligations of NCPA shall be the debts, liabilities or obligations of any of the parties to this [Joint Powers] Agreement unless assumed in a particular case by resolution of the governing body of the party to be charged"; and

WHEREAS, certain members have assumed obligations of NCPA through approval of agreements by their governing bodies, such as the project third phase agreements, the Pooling Agreement, the Facilities Agreement, the Power Management and Administrative Services Agreement, the Scheduling Coordination Program Agreement, etc.; and

WHEREAS, the JPA provides in Article IV section 3(a) that,

"3(a). Each party hereto agrees that it will annually contribute, in proportion to its respective total retail electric power load (or where no retail load exists, the consumptive power load, or where no consumptive power load exists, other suitable measure as approved by the Commission) for the previous calendar year, to a fund or budget of NCPA which may cover up to one-third of legislative and regulatory activities or other NCPA general expenses not covered by other agreements or revenue sources, as may be approved by the Commission; and that such annual cash contribution to said fund or budget by any party may be up to fifteen cents (\$0.15) per megawatt hour (MWh) of said total retail electric power load or consumptive power load, or where no consumptive power load exists, other suitable measure as approved by the Commission, as submitted by such party to the Federal Energy Regulatory Commission or other governmental regulatory authority"; and

WHEREAS, the Amended and Restated Rules of Procedure for the Commission of the Northern California Power Agency (the NCPA Bylaws) provide in section 11 that,

"11. Budgets.

(a) NCPA Budget. The General Manager shall, not later than at the regular Commission meeting in May of each year, present a proposed budget for the ensuing fiscal year to the Commission, together with a statement of the payments to be required from the Members by such budget. Such budget shall include the various NCPA Project budgets. The Commission shall adopt such budget by resolution, with any changes ordered by it, not later than the regular meeting in June"; and

WHEREAS, in accordance with the NCPA Bylaws, the General Manager of NCPA has presented a proposed budget for Fiscal Year 2017; and

WHEREAS the proposed budget in accordance with the JPA includes a proposed charge to the members of \$0.15 per MWh for a total assessment pursuant to the JPA of \$1,379,626; and

WHEREAS, certain of the members of NCPA have from time to time entered into a variety of agreements for the development and operation of NCPA Projects and Programs by which said members have agreed to be responsible for the costs of said Projects and Programs; and

WHEREAS, costs for each of the NCPA Projects and NCPA Programs have been included in the proposed 2017 NCPA Annual Budget, and the Participants in each such NCPA Project and NCPA Program acknowledge that approval of the NCPA Annual Budget constitutes approval of the annual budget for each of said Programs and Projects; and

WHEREAS, all other costs not included in the JPA assessment have been primarily incurred, by original design, either directly or indirectly on behalf of NCPA Projects or in support of NCPA Programs developed and approved by the members over the years; and

WHEREAS, Project and Program costs have been equitably allocated between and among the NCPA Projects and Programs and such equitable allocation methodology has been approved by the Commission in previous budgets and through specific studies and Commission actions via Resolution 10-16 (Power Management Costs), Resolution 10-106 (Legislative and Regulatory Costs); and

WHEREAS, all such costs are operating and maintenance costs within the meanings and descriptions provided in both the Third-Phase (Take-Or-Pay) Agreements and the Federal Energy Regulatory Commission (FERC) Uniform Chart of Accounts, used to account for the Projects; and

WHEREAS, the Project Participants in all NCPA Projects through recommendation of the NCPA Facilities Committee and the Lodi Energy Center Project Participant Committee have recommended approval of a FY 2017 Annual Budget; and

WHEREAS, the participants in the Legislative and Regulatory Programs through recommendation of the Legislative and Regulatory Committee have recommended approval of the Legislative and Regulatory program budget as presented in the 2017 Annual Budget; and

WHEREAS, the FY 2017 Annual NCPA Budget is a comprehensive document that delineates, among other things, each member's fully allocated financial cost responsibility in connection with each and every service provided by the Agency through its various projects and programs; and

WHEREAS, the FY 2017 Annual Budget for individual Projects as recommended by the respective Project participants of the various Projects and the related costs and revenues thereof are reflected in the Agency's proposed FY 2017 Annual NCPA Budget; and

WHEREAS, the FY 2017 Annual NCPA Budget document also contains certain proposed position changes, reclassifications and salary or pay schedules which also require Commission approval; and

NOW, THEREFORE, BE IT RESOLVED by the Commission of the Northern California Power Agency as follows:

Section 1. This Commission hereby finds and determines that the recitals contained herein above are true and correct.

Section 2. This Commission finds that the adoption of this resolution is exempt from the California Environmental Quality Act. It is not an action which will cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment (reference staff report 138:16).

Section 3. This Commission hereby irrevocably adopts, approves, and authorizes the program and project budgets which are an integral part of the Fiscal Year 2017 Annual Budget of the Agency, and it hereby irrevocably adopts, approves, and authorizes the Fiscal Year 2017 Annual Budget of the Agency. The Commission members hereby confirm their commitment and that of their respective member agencies, to provide funding of the Fiscal Year 2017 Annual Budget of the Agency in proportion to their individual shares therein, as shown in the attached summary of budget costs after full allocation of costs to all projects and programs of the Agency.

Section 4. Notwithstanding the generality of the foregoing, the Commission does hereby approve the classification and position changes and salary or pay schedules as noted in the Annual Budget and authorizes the General Manager to implement such changes.

PASSED, ADOPTED and APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

\_\_\_\_\_  
 CAROL GARCIA  
 CHAIRPERSON

ATTEST: \_\_\_\_\_  
 CARY PADGETT  
 ASSISTANT SECRETARY



**NORTHERN CALIFORNIA POWER AGENCY  
ANNUAL BUDGETS**

	FISCAL YEAR ENDED JUNE 30			Budget %
	2016	Inc/(Dec)	Proposed 2017	
<b><u>GENERATION RESOURCES</u></b>				
<b>NCPA Plants</b>				
Hydroelectric	\$ 28,770,671	\$ 963,529	\$ 29,734,200	9.1%
Geothermal	(117,051)	2,306,947	2,189,896	0.7%
Combustion Turbine No. 1	2,821,409	(333,621)	2,487,788	0.8%
Combustion Turbine No. 2 (STIG)	7,896,812	(24,889)	7,871,923	2.4%
Lodi Energy Center	28,320,204	(4,198,068)	24,122,136	7.3%
	<b>67,692,045</b>	<b>(1,286,102)</b>	<b>66,405,943</b>	<b>20.2%</b>
<b>Member Resources - Energy</b>	39,011,876	6,625,818	45,637,694	13.9%
<b>Member Resources - Natural Gas</b>	850,359	825,079	1,675,438	0.5%
<b>Western Resource</b>	19,838,319	152,657	19,990,976	6.1%
<b>Market Power Purchases</b>	42,913,205	(3,610,842)	39,302,363	12.0%
<b>Load Aggregation Costs</b>	59,831,915	(3,819,954)	56,011,961	17.0%
<b>Net GHG Obligations</b>	3,029,825	(489,915)	2,539,910	0.8%
	<b>165,475,499</b>	<b>(317,157)</b>	<b>165,158,342</b>	<b>50.3%</b>
	<b>233,167,544</b>	<b>(1,603,259)</b>	<b>231,564,285</b>	<b>70.5%</b>
<b><u>TRANSMISSION</u></b>				
<b>Independent System Operator</b>				
Grid Management Charge (GMC)	3,393,692	406,216	3,799,908	1.2%
GMC Wheeling	70,278,323	4,693,935	74,972,258	22.8%
Ancillary Services (AS)	1,419,670	1,532	1,421,202	0.4%
Other Charges	920,067	(112,092)	807,975	0.2%
	<b>76,011,752</b>	<b>4,989,591</b>	<b>81,001,343</b>	<b>24.7%</b>
<b><u>MANAGEMENT SERVICES</u></b>				
<b>Legislative &amp; Regulatory</b>				
Legislative Representation	1,820,837	75,598	1,896,435	0.6%
Regulatory Representation	767,266	26,934	794,200	0.2%
Western Representation	792,801	23,739	816,540	0.2%
Member Support Services	459,799	(27,688)	432,111	0.1%
	<b>3,840,703</b>	<b>98,583</b>	<b>3,939,286</b>	<b>1.2%</b>
	<b>625,000</b>	<b>-</b>	<b>625,000</b>	<b>0.2%</b>
<b>Judicial Action</b>				
<b>Power Management</b>				
<b>System Control And Load Dispatch:</b>				
Dispatch & Real-time Resource Management	2,079,039	187,199	2,266,238	0.7%
Schedule Coordination	2,313,328	(87,052)	2,226,276	0.7%
System Control. And Data Acquisition	958,353	2,751	961,103	0.3%
WECC/NERC Compliance & Participation	233,311	(66,126)	167,185	0.1%
	<b>5,584,031</b>	<b>36,771</b>	<b>5,620,802</b>	<b>1.7%</b>

**NORTHERN CALIFORNIA POWER AGENCY  
ANNUAL BUDGETS**

Continued

	FISCAL YEAR ENDED JUNE 30			Budget %
	2016	Inc/(Dec)	Proposed 2017	
Forecasting Planning, Prescheduling & Trading				0.0%
Forecasting	635,203	3,596	638,799	0.2%
Resource Planning, Optimization, Risk Analysis & Mgmt.	492,503	(11,315)	481,188	0.1%
Power & Fuel Transactions	130,035	(258)	129,777	0.0%
Pre-Scheduling	767,809	(3,159)	764,650	0.2%
Power Pool Oper. & Settlement Standards	291,582	86,969	378,551	0.1%
Facilities Agreement Administration	160,992	479	161,471	0.0%
	<b>2,478,123</b>	<b>76,313</b>	<b>2,554,436</b>	<b>0.8%</b>
Industry Restructuring & Regulatory Affairs	403,676	10,370	414,046	0.1%
Contract Admin, interconnection Svcs & External Affairs:				
Contract Maint, Negotiation and Administration & Litigation	788,839	66,628	855,468	0.3%
TANC Representation & Advocacy	15,645	1,161	16,806	0.0%
Western Representation & Advocacy	157,967	10,512	168,479	0.1%
Pooling Agreement Coordination and Administration	89,529	6,020	95,549	0.0%
	<b>1,051,980</b>	<b>84,322</b>	<b>1,136,302</b>	<b>0.3%</b>
Green Power Project	36,344	(18,636)	17,708	0.0%
Gas Purchase Program	69,182	17,368	86,550	0.0%
Market Purchase Power Project	114,079	11,140	125,219	0.0%
Power Management Direct Cost to Programs	(1,228,543)	(99,023)	(1,327,566)	-0.4%
	<b>8,508,872</b>	<b>118,625</b>	<b>8,627,497</b>	<b>2.6%</b>
<b>Energy Risk Management</b>				
ROC, RMC Meetings & Activities	72,151	(10,539)	61,612	0.0%
Counter-party Credit Review & Analysis	132,243	17,952	150,195	0.0%
	<b>204,394</b>	<b>7,413</b>	<b>211,807</b>	<b>0.1%</b>
<b>Settlements</b>				
Deal Control Validation & Monitoring	259,330	137,009	396,339	0.1%
ISO Data Validation & Monitoring	408,054	56,938	464,992	0.1%
	<b>667,384</b>	<b>193,947</b>	<b>861,331</b>	<b>0.3%</b>
<b>Integrated Systems Support</b>	532,573	(222,173)	310,400	0.1%
	<b>14,378,926</b>	<b>196,395</b>	<b>14,575,321</b>	<b>4.4%</b>
<b>PARTICIPANT PASS THROUGH COSTS (TANC, DUES, ETC)</b>	<b>1,444,264</b>	<b>(60,517)</b>	<b>1,383,747</b>	<b>0.4%</b>
<b>TOTAL NET ANNUAL BUDGET COST</b>	<b>\$ 325,002,486</b>	<b>\$ 3,522,210</b>	<b>\$ 328,524,696</b>	<b>100.0%</b>

Northern California Power Agency  
Participant Funding Requirements (Net)  
FY 2017 Budget

GENERATION RESOURCES	Budget	Alameda	BART	Biggs	Gridley	Healdsburg	Lodi	Lompoc	Palo Alto	Plumas Sierra	Port of Oakland	Redding	Roseville	Santa Clara	Truckee-Donner	Ukiah	TID	All Other
Hydro	\$29,734,200	\$2,910,378	\$ -	\$ -	\$ -	\$437,313	\$3,018,062	\$669,387	\$6,670,586	\$491,854	\$ -	\$ -	\$3,580,648	\$11,362,255	\$ -	\$593,717	\$ -	\$ -
Geothermal	2,134,078	360,270	-	4,844	7,170	78,403	219,368	78,552	-	14,959	-	-	168,226	947,375	-	119,813	135,098	-
Combustion Turbine No. 1	2,487,788	542,835	-	4,893	8,707	145,120	333,197	145,120	-	45,196	-	-	-	1,036,579	-	226,140	-	-
Combustion Turbine No. 2 (STIG)	7,871,923	1,495,665	-	-	-	-	3,109,410	392,838	-	-	-	-	2,874,010	-	-	-	-	-
Lodi Energy Center	24,122,136	-	1,750,039	71,030	520,856	435,593	2,519,001	539,773	-	208,330	-	-	-	6,827,799	-	473,491	-	10,778,224
<b>66,350,125</b>	<b>5,309,149</b>	<b>1,750,039</b>	<b>80,768</b>	<b>536,734</b>	<b>1,096,429</b>	<b>9,199,037</b>	<b>1,825,670</b>	<b>6,670,586</b>	<b>760,338</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,822,885</b>	<b>20,174,008</b>	<b>-</b>	<b>1,413,161</b>	<b>135,098</b>	<b>10,778,224</b>
Member Resources-Energy	45,637,694	8,674,089	-	-	-	-	954,199	32,329,416	1,297,269	2,370,628	-	-	-	-	-	12,083	-	-
Member Resources-Natural Gas	1,675,438	-	-	33,451	203,137	186,248	736,511	302,523	-	-	-	-	-	-	-	213,568	-	-
Western Resource	19,990,976	1,277,228	-	312,811	700,102	286,263	602,824	341,623	13,033,789	2,449,607	640,520	-	-	-	-	366,210	-	-
Market Power Purchases	39,302,363	2,025,009	14,944,323	144,305	284,735	495,255	6,509,622	2,314,435	9,537,730	1,396,995	984,137	-	-	-	-	665,817	-	-
Load Aggregation Costs - ISO	56,011,961	7,078,825	-	247,748	1,401,038	2,527,493	11,377,738	2,803,528	4,032,920	1,036,052	-	-	-	22,109,581	-	3,297,038	-	-
Net GHG Obligations	2,539,910	-	1,163,918	21,436	157,176	131,451	760,155	162,889	-	-	-	-	-	-	-	142,885	-	-
<b>165,158,342</b>	<b>19,055,151</b>	<b>16,108,241</b>	<b>759,751</b>	<b>2,746,188</b>	<b>3,606,710</b>	<b>20,941,049</b>	<b>6,024,998</b>	<b>58,933,855</b>	<b>6,179,923</b>	<b>3,995,285</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,109,581</b>	<b>-</b>	<b>4,697,611</b>	<b>-</b>	<b>-</b>
<b>231,508,467</b>	<b>24,364,300</b>	<b>17,856,280</b>	<b>840,519</b>	<b>3,282,922</b>	<b>4,703,139</b>	<b>30,140,086</b>	<b>7,850,687</b>	<b>65,604,441</b>	<b>6,940,261</b>	<b>3,995,285</b>	<b>-</b>	<b>-</b>	<b>6,822,885</b>	<b>42,283,589</b>	<b>-</b>	<b>6,110,771</b>	<b>135,098</b>	<b>10,778,224</b>
<b>TRANSMISSION</b>																		
NCPA Plant Transmission *																		
Geothermal Plant 1	37,213	12,304	-	-	274	2,669	11,948	2,680	-	590	-	-	2,669	-	-	4,080	-	-
Geothermal Plant 2	18,605	5,302	-	128	95	1,157	1,695	1,157	-	193	-	-	3,535	-	-	1,767	3,576	-
<b>55,818</b>	<b>17,606</b>	<b>-</b>	<b>128</b>	<b>370</b>	<b>3,825</b>	<b>13,643</b>	<b>3,837</b>	<b>-</b>	<b>783</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,203</b>	<b>-</b>	<b>-</b>	<b>5,847</b>	<b>3,576</b>	<b>-</b>
Independent System Operator	81,001,343	7,410,194	-	324,880	709,160	1,657,963	9,112,291	2,846,076	20,673,747	2,249,683	1,737,085	-	-	32,111,184	-	2,169,080	-	-
<b>81,057,161</b>	<b>7,427,800</b>	<b>-</b>	<b>325,008</b>	<b>709,530</b>	<b>1,681,788</b>	<b>9,125,934</b>	<b>2,849,913</b>	<b>20,673,747</b>	<b>2,250,466</b>	<b>1,737,085</b>	<b>-</b>	<b>-</b>	<b>6,203</b>	<b>32,111,184</b>	<b>-</b>	<b>2,174,927</b>	<b>3,576</b>	<b>-</b>
<b>MANAGEMENT SERVICES</b>																		
<b>LEGISLATIVE &amp; REGULATORY</b>																		
Legislative Representation	1,323,066	77,749	-	48,484	50,207	53,867	85,209	58,875	127,724	80,618	53,816	113,014	150,097	327,548	59,017	56,842	-	-
Regulatory Representation	554,082	32,560	-	20,304	21,026	22,559	35,684	24,656	53,489	25,386	22,537	47,329	62,858	137,173	24,715	23,805	-	-
Western Representation	816,540	23,460	9,468	5,748	12,860	4,891	11,073	6,275	239,408	34,201	11,765	158,694	94,395	186,780	10,797	6,727	-	-
JPA Assessment	1,245,598	54,757	57,819	2,211	5,305	11,876	68,151	20,869	144,486	23,997	11,785	118,074	184,658	503,269	21,123	17,219	-	-
<b>3,939,286</b>	<b>188,527</b>	<b>67,287</b>	<b>76,746</b>	<b>89,398</b>	<b>93,193</b>	<b>200,118</b>	<b>110,675</b>	<b>565,108</b>	<b>144,202</b>	<b>99,904</b>	<b>437,111</b>	<b>492,006</b>	<b>1,154,768</b>	<b>115,652</b>	<b>104,592</b>	<b>-</b>	<b>-</b>	<b>-</b>
Judicial Action																		
Tariffs & Rates	575,000	85,449	-	3,269	5,122	15,801	79,794	22,899	134,348	24,847	10,451	-	44,064	120,524	-	23,141	5,292	-
Contingency **	50,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>625,000</b>	<b>85,449</b>	<b>-</b>	<b>3,269</b>	<b>5,122</b>	<b>15,801</b>	<b>79,794</b>	<b>22,899</b>	<b>134,348</b>	<b>24,847</b>	<b>10,451</b>	<b>-</b>	<b>-</b>	<b>44,064</b>	<b>120,524</b>	<b>-</b>	<b>23,141</b>	<b>5,292</b>	<b>-</b>
<b>POWER MANAGEMENT</b>																		
Power Mgmt, SCALD, ISS, Energy Risk Mgmt & Settlements	9,781,559	932,491	712,961	53,904	83,609	180,959	1,032,676	282,966	1,649,212	328,354	338,315	-	444,354	3,215,052	-	388,187	138,519	-
Green Power Program	17,708	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Market Purchase Program	125,219	13,508	27,867	11,162	10,800	12,458	22,115	14,505	-	-	-	-	-	-	-	12,804	-	-
Gas Purchase Program	86,550	-	-	7,723	12,138	11,071	36,818	8,646	-	-	-	-	-	-	-	10,953	-	-
<b>10,011,036</b>	<b>945,998</b>	<b>758,536</b>	<b>72,789</b>	<b>106,547</b>	<b>204,488</b>	<b>1,090,809</b>	<b>306,117</b>	<b>1,649,212</b>	<b>328,354</b>	<b>338,315</b>	<b>-</b>	<b>-</b>	<b>444,354</b>	<b>3,215,052</b>	<b>-</b>	<b>411,944</b>	<b>138,519</b>	<b>-</b>
<b>14,575,322</b>	<b>1,219,974</b>	<b>825,823</b>	<b>152,804</b>	<b>201,068</b>	<b>313,482</b>	<b>1,370,721</b>	<b>439,691</b>	<b>2,348,668</b>	<b>497,403</b>	<b>448,670</b>	<b>437,111</b>	<b>990,425</b>	<b>4,480,344</b>	<b>115,652</b>	<b>539,678</b>	<b>143,811</b>	<b>-</b>	<b>-</b>
TANC-SOT	96,186	38,821	-	-	-	4,373	38,175	4,927	-	4,299	-	-	-	-	-	5,591	-	-
BAM Consulting	707,670	-	-	-	-	-	-	-	162,684	-	13,535	-	-	531,451	-	-	-	-
Biggs 60kV	3,864	-	-	3,864	-	-	-	-	-	-	-	-	-	-	-	-	-	-
APPA Dues	280,000	19,913	-	1,153	3,361	5,843	22,899	11,258	43,466	-	42,339	-	47,159	63,459	11,541	7,609	-	-
SEPA Dues	10,000	769	-	385	385	385	1,538	385	1,538	385	385	1,538	1,538	385	385	384	-	-
DEED Dues	24,000	\$1,698	-	101	287	512	2,008	986	3,707	3,810	3,810	5,111	5,111	1,011	649	-	-	
Subscriptions	63,027	-	-	-	-	-	-	-	5,700	-	2,100	-	51,627	3,600	-	-	-	-
Metering Maintenance	58,000	4,952	-	4,952	2,476	2,476	7,428	6,005	9,904	4,952	9,904	-	-	-	4,952	-	-	
Member Service Projects **	131,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WRGIS Certificate Transfer Fees **	10,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pass Through Costs	1,383,747	66,153	-	10,455	6,509	13,589	72,046	23,561	226,998	9,636	23,824	49,587	102,807	605,460	12,937	19,184	-	-
JPA Assessment - Others																		
Non-NCPA Participants	134,028	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,955	126,073
Credits to Participants	(134,028)	(5,892)	(6,221)	(238)	(571)	(1,278)	(7,333)	(2,245)	(15,547)	(2,582)	(1,268)	(12,705)	(19,869)	(54,152)	(2,273)	(1,853)	-	-
<b>-</b>	<b>(5,892)</b>	<b>(6,221)</b>	<b>(238)</b>	<b>(571)</b>	<b>(1,278)</b>	<b>(7,333)</b>	<b>(2,245)</b>	<b>(15,547)</b>	<b>(2,582)</b>	<b>(1,268)</b>	<b>(12,705)</b>	<b>(19,869)</b>	<b>(54,152)</b>	<b>(2,273)</b>	<b>(1,853)</b>	<b>7,955</b>	<b>126,073</b>	<b>-</b>
<b>NET ANNUAL BUDGET COST</b>	<b>\$ 328,524,696</b>	<b>\$ 33,072,335</b>	<b>\$ 18,677,882</b>	<b>\$ 1,328,548</b>	<b>\$ 4,199,458</b>	<b>\$ 6,690,719</b>	<b>\$ 40,701,453</b>	<b>\$ 11,161,587</b>	<b>\$ 88,838,307</b>	<b>\$ 9,695,184</b>	<b>\$ 6,203,595</b>	<b>\$ 473,993</b>	<b>\$ 7,692,450</b>	<b>\$ 79,436,426</b>	<b>\$ 126,316</b>	<b>\$ 8,842,708</b>	<b>\$ 290,440</b>	<b>\$ 10,902,297</b>
<b>FY2016 Net Annual Budget Cost</b>	<b>325,002,486</b>	<b>33,122,922</b>	<b>19,383,892</b>	<b>1,400,632</b>	<b>4,138,782</b>	<b>6,413,929</b>	<b>40,511,657</b>	<b>11,138,153</b>	<b>82,788,010</b>	<b>10,296,311</b>	<b>5,722,228</b>	<b>468,770</b>	<b>6,548,244</b>	<b>81,454,910</b>	<b>126,943</b>	<b>9,011,928</b>	<b>147,635</b>	<b>12,105,861</b>
<b>Incr (decr)</b>	<b>3,522,210</b>	<b>(50,587)</b>	<b>(706,010)</b>	<b>(72,084)</b>	<b>60,676</b>	<b>276,790</b>	<b>189,796</b>	<b>23,434</b>	<b>6,050,297</b>	<b>(601,127)</b>	<b>481,367</b>	<b>5,223</b>	<b>1,144,206</b>	<b>(2,018,484)</b>	<b>(627)</b>	<b>(169,220)</b>	<b>142,805</b>	<b>(1,203,564)</b>
<b>Net Annual Budget Cost</b>	<b>\$ 33,072,335</b>	<b>\$ 18,677,882</b>	<b>\$ 1,328,548</b>	<b>\$ 4,199,458</b>	<b>\$ 6,690,719</b>	<b>\$ 40,701,453</b>	<b>\$ 11,161,587</b>	<b>\$ 88,838,307</b>	<b>\$ 9,695,184</b>	<b>\$ 6,203,595</b>	<b>\$ 473,993</b>	<b>\$</b>						

Northern California Power Agency
Participant Funding Requirements (Gross)
FY 2017 Budget

Table with columns for Budget, Alameda, BART, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Plumas Sierra, Port of Oakland, Redding, Roseville, Santa Clara, Truckee-Donner, Ukiah, TID, All Other. Rows include GENERATION RESOURCES (Hydro, Geothermal, etc.), TRANSMISSION (NCPA Plant, etc.), MANAGEMENT SERVICES (Legislative, Judicial, etc.), POWER MANAGEMENT (Power Mgmt, etc.), and LESS: THIRD PARTY REVENUE (ISO Energy, etc.).

(A) As approved by LEC PPC committee on March 31, 2016, LEC's FY 2017 budgeted O&M and Capital Projects and Maintenance Reserve totaling \$2,805,000 will funded by refund of the Transmission Upgrade Project collections.

\* Geothermal transmission shown separately from Plant due to participant allocation differences.

\*\* Memo only - Estimates included in NET ANNUAL BUDGET COST, but not allocated to Participants due to contingent nature of costs.

**NORTHERN CALIFORNIA POWER AGENCY**

**PAY SCHEDULE  
EFFECTIVE 12/25/16**

GRADE	JOB CLASSIFICATION/JOB FAMILY	MINIMUM		CONTROL POINT		<sup>1</sup> CTRL PT PLUS 15%	
		ANNUAL	HOURLY	ANNUAL	HOURLY	ANNUAL	HOURLY
15	<sup>1</sup> ACCOUNTANT/ANALYST I	66,497.60	31.97	83,116.80	39.96	95,576.00	45.95
18	<sup>1</sup> ACCOUNTANT/ANALYST II	82,201.60	39.52	102,752.00	49.40	118,164.80	56.81
20	<sup>1</sup> ACCOUNTANT/ANALYST III	94,993.60	45.67	118,747.20	57.09	136,552.00	65.65
9	<sup>1</sup> ACCOUNTING CLERK I	43,305.60	20.82	54,121.60	26.02	62,233.60	29.92
11	<sup>1</sup> ACCOUNTING CLERK II	49,940.80	24.01	62,420.80	30.01	71,780.80	34.51
12	<sup>1</sup> ACCOUNTING CLERK III	53,705.60	25.82	67,121.60	32.27	77,188.80	37.11
9	<sup>1</sup> ADMINISTRATIVE ASSISTANT/OFFICE ADMINISTRATOR I	43,305.60	20.82	54,121.60	26.02	62,233.60	29.92
11	<sup>1</sup> ADMINISTRATIVE ASSISTANT/OFFICE ADMINISTRATOR II	49,940.80	24.01	62,420.80	30.01	71,780.80	34.51
13	<sup>1</sup> ADMINISTRATIVE ASSISTANT/OFFICE ADMINISTRATOR III	57,636.80	27.71	72,051.20	34.64	82,867.20	39.84
29	<sup>1</sup> AGM I/SENIOR DIRECTOR	180,856.00	86.95	226,075.20	108.69	259,979.20	124.99
30	<sup>1</sup> AGM II	194,292.80	93.41	242,860.80	116.76	279,281.60	134.27
31	<sup>1</sup> AGM III	208,624.00	100.30	260,790.40	125.38	299,915.20	144.19
24	<sup>1</sup> ASSISTANT CONTROLLER	126,505.60	60.82	158,142.40	76.03	181,854.40	87.43
24	<sup>1</sup> ASSISTANT MANAGER: INFORMATION SERVICES	126,505.60	60.82	158,142.40	76.03	181,854.40	87.43
13	<sup>1</sup> COMPUTER OPERATOR II/DATA ANALYST	57,636.80	27.71	72,051.20	34.64	82,867.20	39.84
13	<sup>1</sup> COMPUTER TECHNOLOGY ANALYST	57,636.80	27.71	72,051.20	34.64	82,867.20	39.84
16	<sup>1</sup> COMPUTER TECHNOLOGY ANALYST I	71,385.60	34.32	89,232.00	42.90	102,627.20	49.34
18	<sup>1</sup> COMPUTER TECHNOLOGY ANALYST II	82,201.60	39.52	102,752.00	49.40	118,164.80	56.81
20	<sup>1</sup> COMPUTER TECHNOLOGY ANALYST III	94,993.60	45.67	118,747.20	57.09	136,552.00	65.65
22	<sup>1</sup> COMPUTER TECHNOLOGY ANALYST IV	109,470.40	52.63	136,843.20	65.79	157,372.80	75.66
20	<sup>1</sup> ENGINEER /ENERGY RESOURCE ANALYST III	94,993.60	45.67	118,747.20	57.09	136,552.00	65.65
16	<sup>1</sup> ENGINEER /ENERGY RESOURCE ANALYST I	71,385.60	34.32	89,232.00	42.90	102,627.20	49.34
18	<sup>1</sup> ENGINEER /ENERGY RESOURCE ANALYST II	82,201.60	39.52	102,752.00	49.40	118,164.80	56.81
23	<sup>1</sup> ENGINEER /ENERGY RESOURCE ANALYST IV	117,582.40	56.53	146,972.80	70.66	169,020.80	81.26
24	<sup>1</sup> ENGINEER V: SUPERVISING /PLANT	126,505.60	60.82	158,142.40	76.03	181,854.40	87.43
20	<sup>1</sup> ENVIRONMENTAL, HEALTH & SAFETY SPECIALIST	94,993.60	45.67	118,747.20	57.09	136,552.00	65.65
16	<sup>1</sup> EXECUTIVE ASSISTANT	71,385.60	34.32	89,232.00	42.90	102,627.20	49.34
35	<sup>1</sup> GENERAL MANAGER	277,596.80	133.46	347,006.40	166.83	399,048.00	191.85
16	<sup>1</sup> GEOLOGIST I	71,385.60	34.32	89,232.00	42.90	102,627.20	49.34
18	<sup>1</sup> GEOLOGIST II	82,201.60	39.52	102,752.00	49.40	118,164.80	56.81
20	<sup>1</sup> GEOLOGIST III	94,993.60	45.67	118,747.20	57.09	136,552.00	65.65
23	<sup>1</sup> GEOLOGIST IV	117,582.40	56.53	146,972.80	70.66	169,020.80	81.26
24	<sup>1</sup> GEOLOGIST V	126,505.60	60.82	158,142.40	76.03	181,854.40	87.43
16	<sup>1</sup> GOVERNMENT RELATIONS REPRESENTATIVE I	71,385.60	34.32	89,232.00	42.90	102,627.20	49.34
18	<sup>1</sup> GOVERNMENT RELATIONS REPRESENTATIVE II	82,201.60	39.52	102,752.00	49.40	118,164.80	56.81
20	<sup>1</sup> GOVERNMENT RELATIONS REPRESENTATIVE III	94,993.60	45.67	118,747.20	57.09	136,552.00	65.65
22	<sup>1</sup> GOVERNMENT RELATIONS REPRESENTATIVE IV	109,470.40	52.63	136,843.20	65.79	157,372.80	75.66
15	<sup>1</sup> HUMAN RESOURCES ANALYST I	66,497.60	31.97	83,116.80	39.96	95,576.00	45.95
18	<sup>1</sup> HUMAN RESOURCES ANALYST II	82,201.60	39.52	102,752.00	49.40	118,164.80	56.81
20	<sup>1</sup> HUMAN RESOURCES ANALYST III	94,993.60	45.67	118,747.20	57.09	136,552.00	65.65
13	<sup>1</sup> HUMAN RESOURCES ASSISTANT	57,636.80	27.71	72,051.20	34.64	82,867.20	39.84
27	<sup>1</sup> HUMAN RESOURCES DIRECTOR	156,707.20	75.34	195,894.40	94.18	225,284.80	108.31
25	<sup>1</sup> HUMAN RESOURCES MANAGER	135,678.40	65.23	169,603.20	81.54	195,041.60	93.77
14	<sup>1</sup> LEGISLATIVE PROGRAM ASSISTANT	61,921.60	29.77	77,396.80	37.21	89,003.20	42.79
27	<sup>1</sup> MANAGER, INFORMATION SERVICES	156,707.20	75.34	195,894.40	94.18	225,284.80	108.31
27	<sup>1</sup> MANAGER, INFORMATION SERVICES & POWER SETTLEMENTS	156,707.20	75.34	195,894.40	94.18	225,284.80	108.31
28	<sup>1</sup> MANAGER, PLANT	168,355.20	80.94	210,454.40	101.18	242,028.80	116.36
26	<sup>1</sup> MANAGER, RELIABILITY COMPLIANCE	145,891.20	70.14	182,374.40	87.68	209,726.40	100.83
18	<sup>1</sup> MATERIALS/WAREHOUSE COORDINATOR I	82,201.60	39.52	102,752.00	49.40	118,164.80	56.81

**NORTHERN CALIFORNIA POWER AGENCY**

**PAY SCHEDULE**

**EFFECTIVE 12/25/16**

GRADE	JOB CLASSIFICATION/JOB FAMILY	MINIMUM		CONTROL POINT		<sup>1</sup> CTRL PT PLUS 15%	
		ANNUAL	HOURLY	ANNUAL	HOURLY	ANNUAL	HOURLY
20	<sup>1</sup> MATERIALS/WAREHOUSE COORDINATOR II	94,993.60	45.67	118,747.20	57.09	136,552.00	65.65
24	<sup>1</sup> MGR. REGULATORY PROGRAM	126,505.60	60.82	158,142.40	76.03	181,854.40	87.43
7	<sup>1</sup> OFFICE ASSISTANT I	37,564.80	18.06	46,966.40	22.58	54,017.60	25.97
9	<sup>1</sup> OFFICE ASSISTANT II	43,305.60	20.82	54,121.60	26.02	62,233.60	29.92
21	<sup>1</sup> POWER SETTLEMENTS ANALYST	102,065.60	49.07	127,587.20	61.34	146,723.20	70.54
25	<sup>1</sup> POWER SETTLEMENTS MANAGER	135,678.40	65.23	169,603.20	81.54	195,041.60	93.77
24	<sup>1</sup> PRE-SCHEDULER, LEAD	126,505.60	60.82	158,142.40	76.03	181,854.40	87.43
23	<sup>1</sup> SCHEDULER/PLANNER, POWER	117,582.40	56.53	146,972.80	70.66	169,020.80	81.26
23	<sup>1</sup> SENIOR COMPUTER TECH. ANALYST, POWER	117,582.40	56.53	146,972.80	70.66	169,020.80	81.26
18	<sup>1</sup> SHAREPOINT ADMINISTRATOR	82,201.60	39.52	102,752.00	49.40	118,164.80	56.81
6E	<sup>1</sup> STUDENT ASSISTANT I	29,120.00	14.00	33,280.00	16.00	38,480.00	18.50
6F	<sup>1</sup> STUDENT ASSISTANT II	35,360.00	17.00	41,600.00	20.00	47,840.00	23.00
6G	<sup>1</sup> STUDENT ASSISTANT III	42,640.00	20.50	50,960.00	24.50	58,240.00	28.00
6H	<sup>1</sup> STUDENT ASSISTANT IV	48,880.00	23.50	58,240.00	28.00	67,600.00	32.50
4	<sup>1</sup> STUDENT HELPER	30,160.00	14.50	37,440.00	18.00	43,680.00	21.00
27	<sup>1</sup> SUPERINTENDENT, GENERATION RESOURCES	156,707.20	75.34	195,894.40	94.18	225,284.80	108.31
20	<sup>1</sup> SUPERVISOR I	94,993.60	45.67	118,747.20	57.09	136,552.00	65.65
23	<sup>1</sup> SUPERVISOR II	117,582.40	56.53	146,972.80	70.66	169,020.80	81.26
26	<sup>1</sup> SUPERVISOR III	145,891.20	70.14	182,374.40	87.68	209,726.40	100.83
27	<sup>1</sup> TREASURER-CONTROLLER	156,707.20	75.34	195,894.40	94.18	225,284.80	108.31
IBEW	<sup>2</sup> CT SPECIALIST I - V	85,051.20	40.89	118,185.60	56.82		
IBEW	<sup>2</sup> CT SPECIALIST - LEAD	124,155.20	59.69	124,155.20	59.69		
IBEW	<sup>2</sup> CT SPECIALIST - LEAD (RELIEF)	124,155.20	59.69	124,155.20	59.69		
HEA	<sup>2</sup> HYDRO TECH APPRENTICE	59,321.60	28.52	81,099.20	38.99		
HEA	<sup>2</sup> HYDRO TECH	87,568.00	42.10	113,318.40	54.48		
HEA	<sup>2</sup> HYDRO TECH OPERATOR	118,996.80	57.21	118,996.80	57.21		
IBEW	<sup>2</sup> MECHANIC OPERATOR I - V	85,051.20	40.89	111,176.00	53.45		
IBEW	<sup>2</sup> MECHANIC OPERATOR - LEAD	116,729.60	56.12	116,729.60	56.12		
IBEW	<sup>2</sup> MECHANIC OPERATOR - LEAD (RELIEF)	116,729.60	56.12	116,729.60	56.12		
IBEW	<sup>2</sup> OPERATOR TECHNICIAN I - V	85,051.20	40.89	114,108.80	54.86		
IBEW	<sup>2</sup> OPERATOR TECHNICIAN - LEAD	119,724.80	57.56	119,724.80	57.56		
IBEW	<sup>2</sup> OPERATOR TECHNICIAN - LEAD (RELIEF)	119,724.80	57.56	119,724.80	57.56		
	<sup>3</sup> SCHEDULE COORDINATOR I	68,182.40	32.78	91,062.40	43.78		
	<sup>3</sup> SCHEDULE COORDINATOR II	95,804.80	46.06	110,968.00	53.35		
	<sup>3</sup> SCHEDULE COORDINATOR III	116,188.80	55.86	134,243.20	64.54		
	<sup>3</sup> SYSTEM DISPATCHER	105,872.00	50.90	148,158.40	71.23		
	<sup>3</sup> LEAD DISPATCHER CENTER OPERATOR	116,188.80	55.86	155,584.00	74.80		
IBEW	<sup>2</sup> STOREKEEPER I - V	57,657.60	27.72	69,180.80	33.26		
IBEW	<sup>2</sup> TECHNICIAN CHEMICAL/PERFORMANCE	105,268.80	50.61	105,268.80	50.61		
IBEW	<sup>2</sup> TECHNICIAN OPERATOR I - V	85,051.20	40.89	117,686.40	56.58		
IBEW	<sup>2</sup> TECHNICIAN OPERATOR - LEAD	123,468.80	59.36	123,468.80	59.36		


Note 1: Non-union employees whose salaries exceed the control point may be granted a lump sum merit increase which is not added to base pay.

Note 2: IBEW = International Brotherhood of Electrical Workers

HEA = Hydroelectric Employees Association

These are union classifications subject to the Memorandum of Understanding and overtime, shift differential, relief, upgrade and travel pay may be added to base pay when appropriate.




Note 3: Schedule Coordinators and Dispatchers receive overtime, relief pay in addition to step increases



NORTHERN CALIFORNIA POWER AGENCY

# NCPA Commission Budget Review

April 21, 2016

NORTHERN CALIFORNIA POWER AGENCY


## STRATEGIC PLAN 2016

**MISSION**  
To provide our members cost effective wholesale power, energy-related services, and advocacy on behalf of public power consumers through joint action.

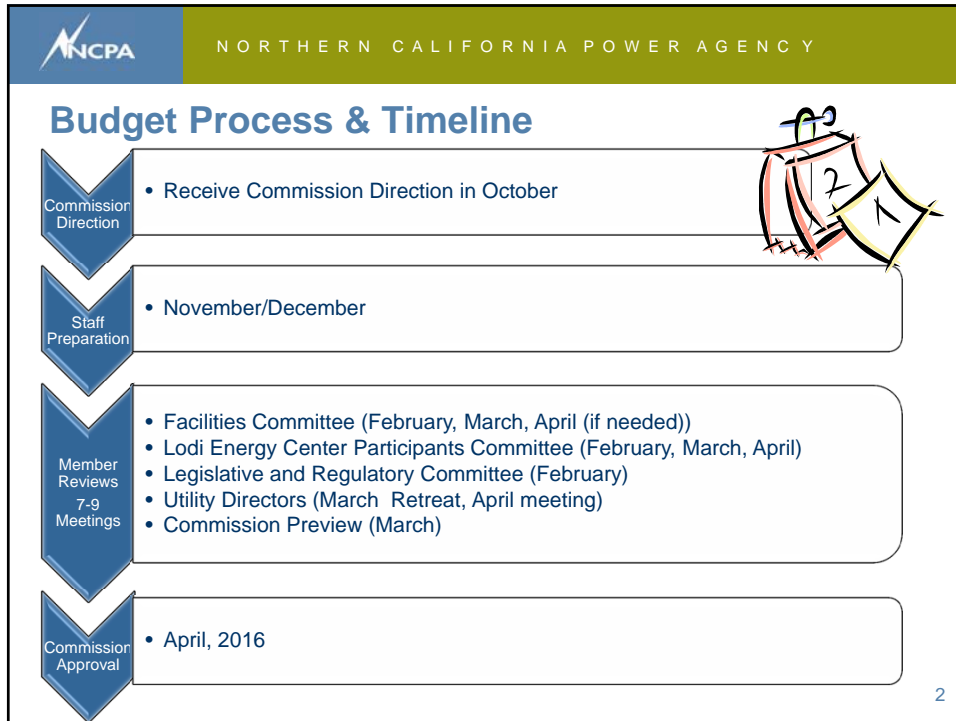
**VISION**  
To be the premier provider of energy services to public entities.

**STRATEGIES**

- Attract, develop and retain professional, high quality staff.
- Maintain position as credible, solution-oriented coalition builder and leader in state and federal legislative and regulatory policy arenas.
- Develop and maintain diverse generation resource portfolio in accordance with renewable portfolio standard and capacity obligations.
- Protect, utilize and build on the strengths and unique aspects of JPA structure to benefit NCPA's members.
- Develop/maintain strategies to control costs and minimize risks while maximizing the value of assets.
- Grow new revenue and/or reduce member costs by exploring new members/participants and expansion of current services.
- Help articulate and promote the value of NCPA and public power utilities to member communities.



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**NCPA** NORTHERN CALIFORNIA POWER AGENCY

### Committee Recommendations

**LEGISLATIVE & REGULATORY COMMITTEE**  
Recommended approval of L & R Proposed FY 2016 Budget at February 24, 2016 Committee meeting

**FACILITIES COMMITTEE**  
Recommended approval of Generation Services, Administrative and Executive Services and Power Management Proposed FY 2017 Budget at March 16, 2016 Special Committee meeting

**LODI ENERGY CENTER PROJECT PARTICIPANTS COMMITTEE**  
Recommended approval of Lodi Energy Center (LEC) Proposed FY 2016 Budget at April 11, 2016 Committee meeting

**APPROVED**



NCPA NORTHERN CALIFORNIA POWER AGENCY

## NCPA Commission Budget Direction – FY 2017

Operating costs limited to 2.4% increase for FY 2017

- NCPA FY 2017 non-personnel budget proposed to come in above FY 2016 by ~~2.3~~ **1.9%**; below the target;
- Labor costs up 8%
- Addition of 1.5 FTE headcount for new services (1 FTE in Settlements and 0.5 FTE in HR)

April 12, 2016 4

NCPA NORTHERN CALIFORNIA POWER AGENCY

## Proposed Budget (Net) FY 17

Proposed FY 2017 Budget, net of revenues, reflects an increase of \$3.5 million or 1.1% from FY 2016, primarily from higher transmission costs

April revision: Update to Transmission charges and Revenues; reductions in various programs; \$9.0 million reduction to net budget

Category	Approved 2016	Proposed 2017
Generation Resources	~\$230,000	~\$230,000
Transmission	~\$80,000	~\$85,000
Power Management	~\$10,000	~\$10,000
Legislative & Regulatory	~\$5,000	~\$5,000
Judicial Action	~\$5,000	~\$5,000
Settlements	~\$5,000	~\$5,000
Risk Management	~\$5,000	~\$5,000
Integrated Systems Support	~\$5,000	~\$5,000
Pass through Costs	~\$5,000	~\$5,000
<b>Total</b>	<b>\$325,002</b>	<b>\$328,525</b>

- Generation Resources
- Transmission
- Power Management
- Legislative & Regulatory
- Judicial Action
- Settlements
- Risk Management
- Integrated Systems Support
- Pass through Costs

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**NCPA** NORTHERN CALIFORNIA POWER AGENCY

### What Changed from March Draft?

**Overall budget down \$9.0 million**

- Shift of IS labor from A & G to Power Management programs (\$161k)
- Increase funding at LEC for DCS project (\$100k)
- Increase funding at LEC for ammonia protection system and reduce STIG budget (\$91k) (special LEC meeting to consider; Facilities Committee approved)
- CAISO Transmission down \$4.3mm – left rates the same; adjusted SVP down due to taking more mWh at high voltage rate vs low voltage
- Finalized funding for OPEB obligation based on proposed funding plan
- A & G budget revised based on above changes and corrections found during review
- Generation Services Admin reduced by \$127k
- Hydroelectric Adit slide project reduced by \$500k and crane painting deferred until 2018 (\$125k)
- Removed Alameda pass through for BAMX (\$49k)
- Increased CAISO revenues for power plants (\$3.9mm)

Plus...funding of LEC Projects will come from previous collections - \$2.8mm

**NCPA** NORTHERN CALIFORNIA POWER AGENCY

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**NCPA** NORTHERN CALIFORNIA POWER AGENCY

### Proposed Budget FY 2017

**NCPA Budget**

Category	Percentage
Generation	70.1%
Transmission	24.7%
Management Services	4.8%
Passthrough	0.4%

**Total Annual Budget - Net \$328.5 Million**

**NCPA** NORTHERN CALIFORNIA POWER AGENCY

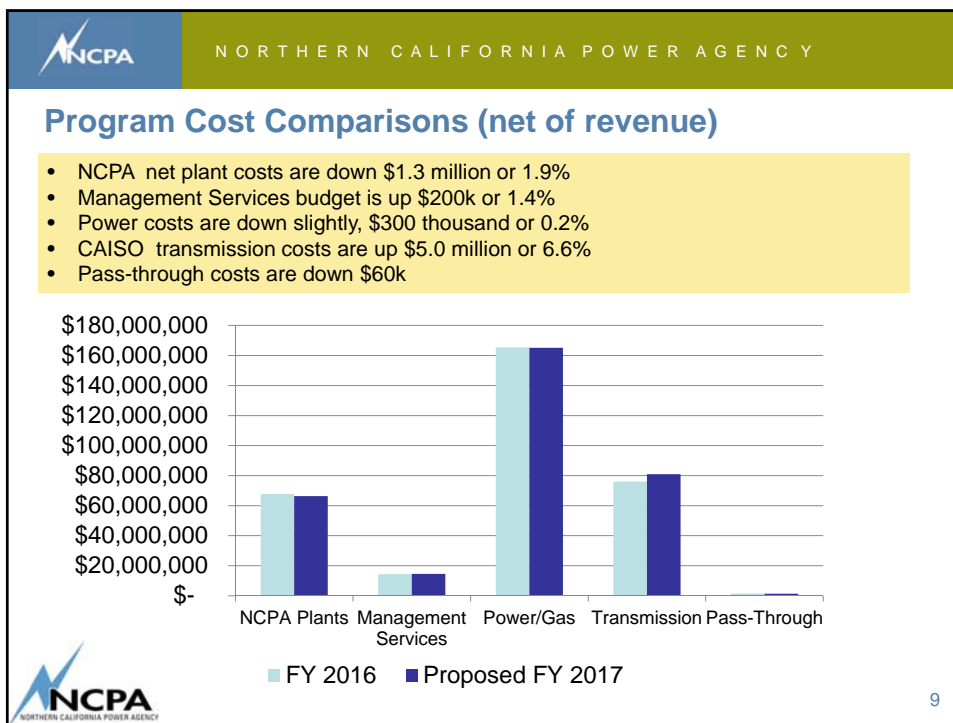
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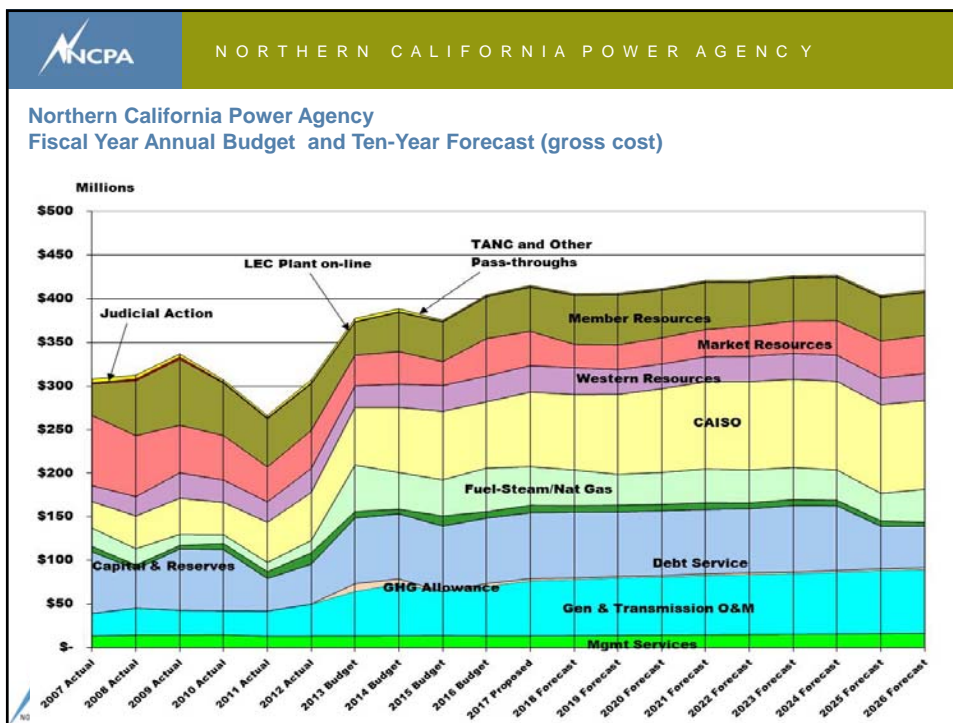
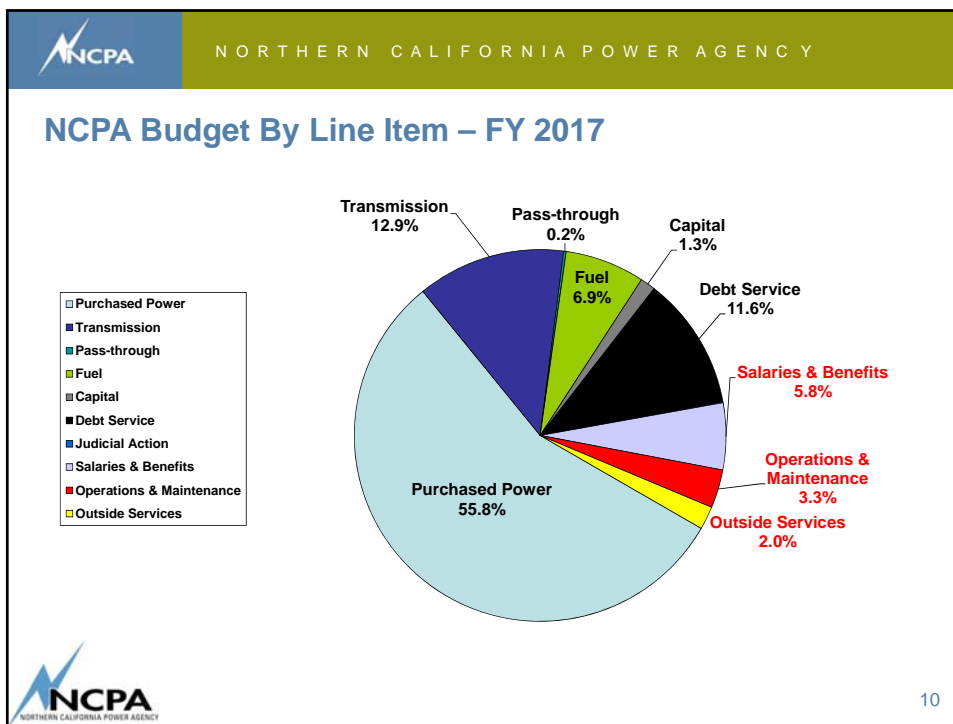
		FISCAL YEAR ENDED JUNE 30	
		Approved	Proposed
		2016	2017
<b>GENERATION RESOURCES</b>			
NCPA Plants		\$ 67,692,045	\$ 66,405,943 (A)
Member Resources - Energy		39,011,876	45,637,694
Member Resources - Natural Gas		850,359	1,675,438
Western Resources		19,838,319	19,990,976
Market Power Purchases		42,913,205	39,302,363
Load Aggregation Costs		59,831,915	56,011,961
Net GHG Obligations		3,029,825	2,539,910
<b>TOTAL GENERATION RESOURCES</b>		<b>233,167,544</b>	<b>231,564,285</b>
<b>TRANSMISSION - Independent System Operator</b>		<b>76,011,752</b>	<b>81,001,343</b>
<b>MANAGEMENT SERVICES</b>			
Legislative & Regulatory		3,840,703	3,939,286
Judicial Action		625,000	625,000
Power Management		9,737,415	9,955,063
Power Management - Direct to Programs		(1,228,543)	(1,327,566)
Energy Risk Management		204,394	211,807
Settlements		667,384	861,331
Integrated Systems Support		532,573	310,400
		14,378,926	14,575,321
<b>PARTICIPANT PASS THROUGH COSTS (TANC, DUES, ETC)</b>		<b>1,444,264</b>	<b>1,383,747</b>
<b>TOTAL NET ANNUAL BUDGET COST</b>		<b>325,002,486</b>	<b>328,524,696</b>

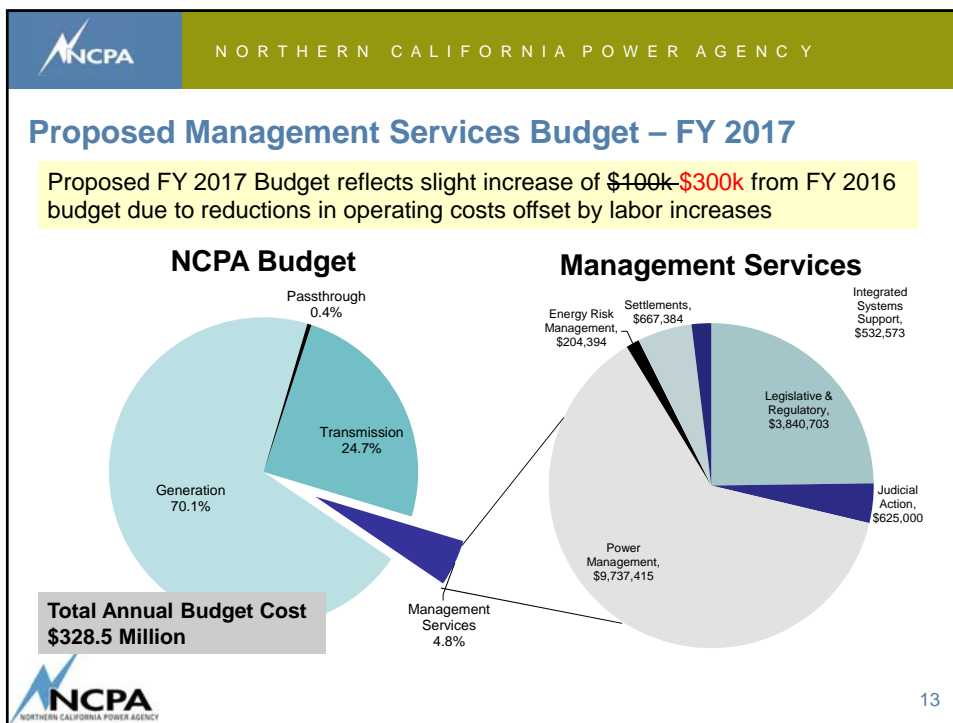
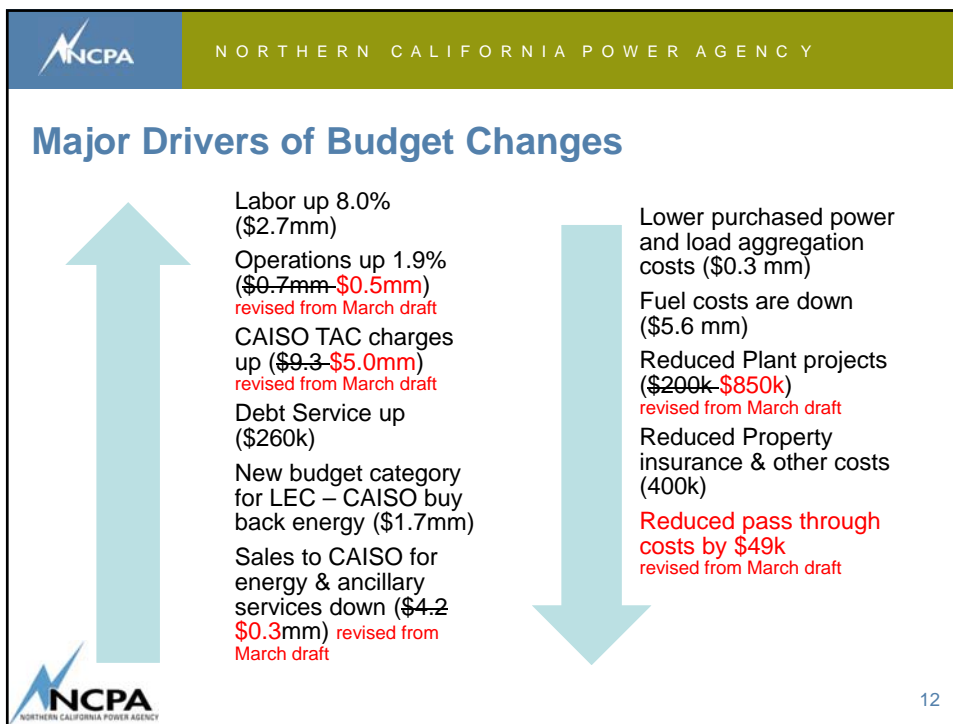
April revision:  
Net budget down  
\$9.0 million

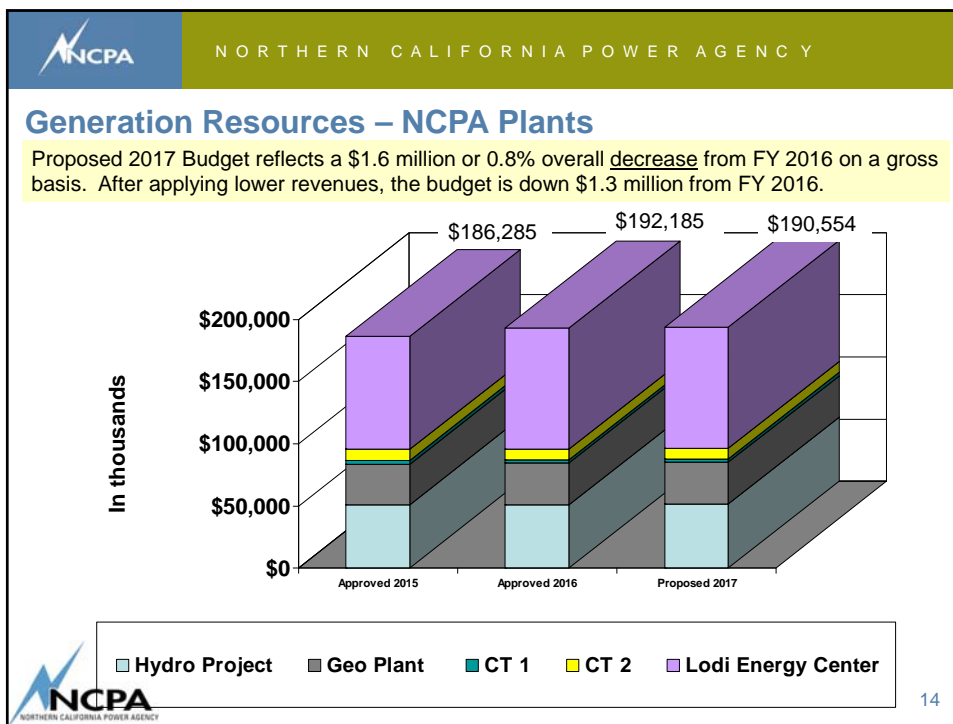
4/6/2016

(A) Lodi Energy Center's O&M Projects, Capital Projects and Maintenance Reserve will be funded by refund of Transmission Upgrade Project collections.

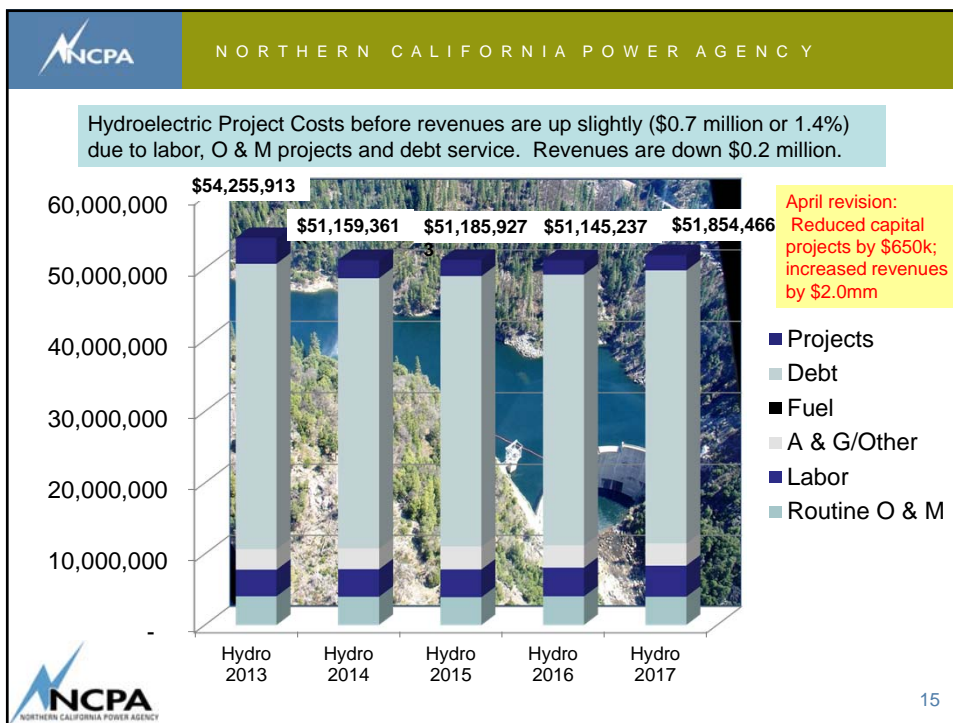




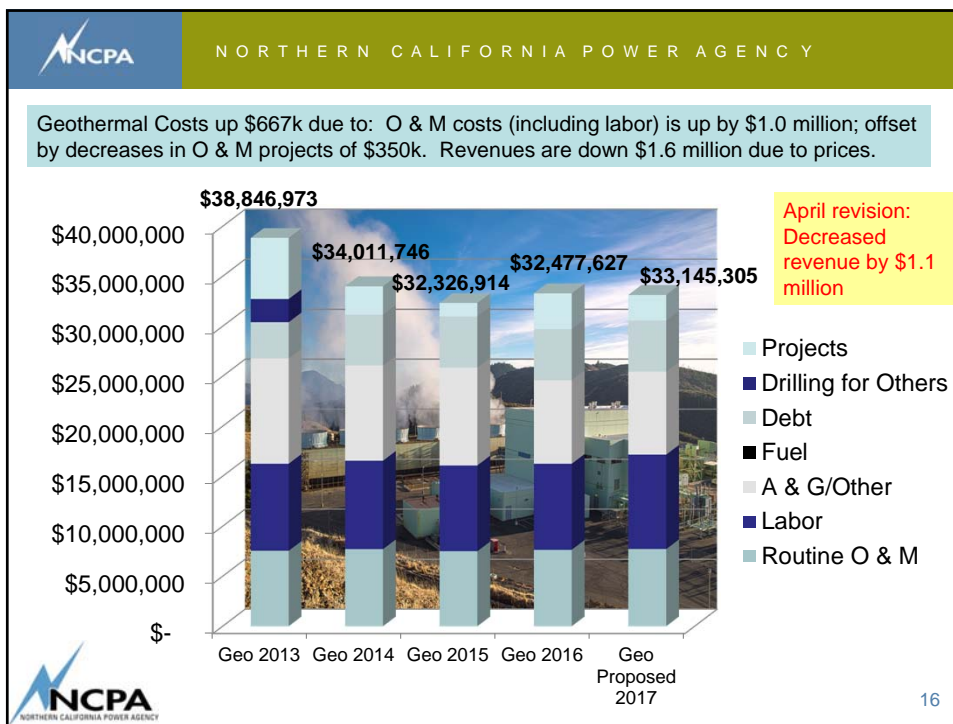




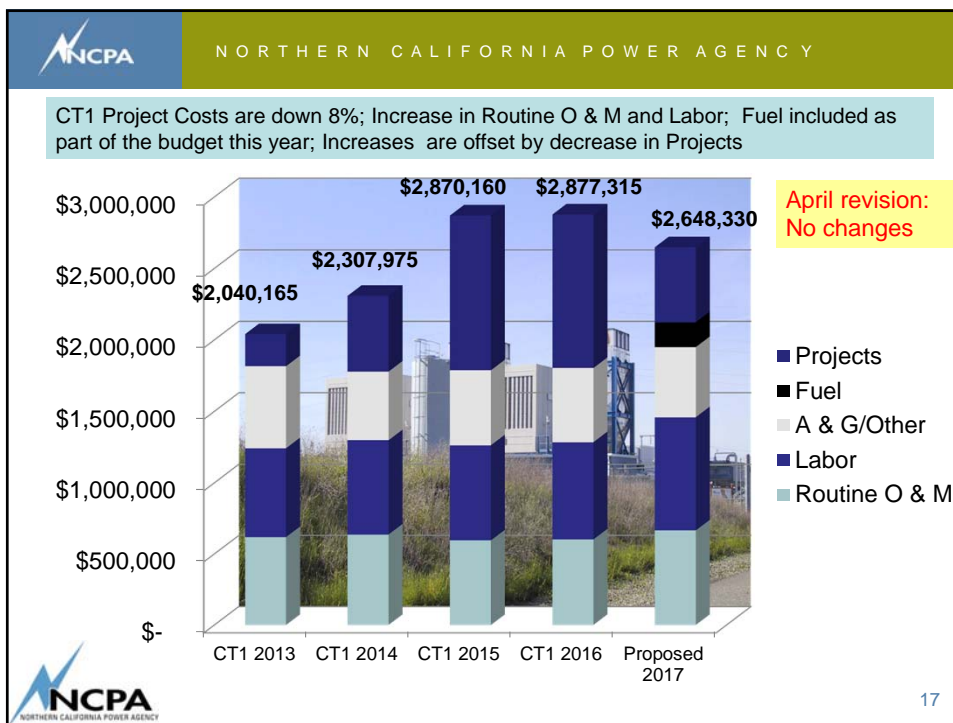
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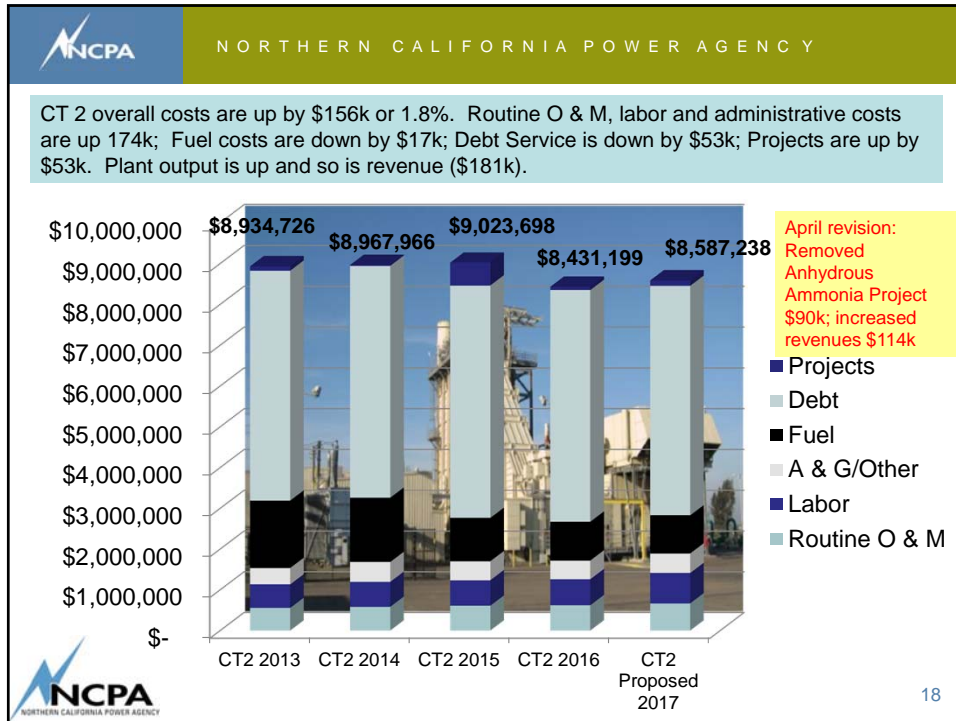
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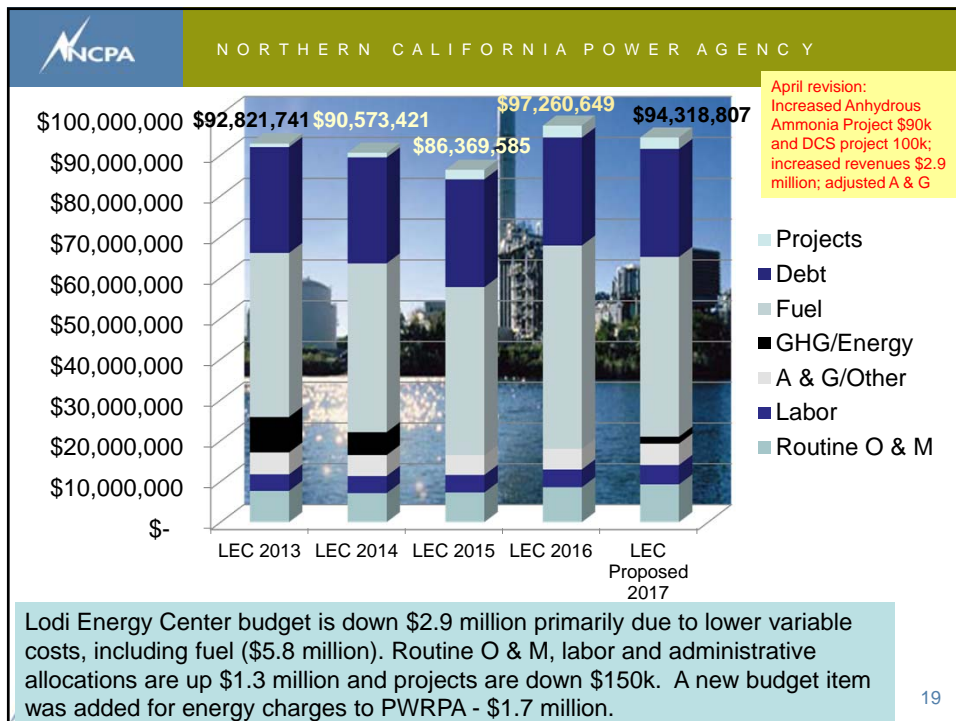
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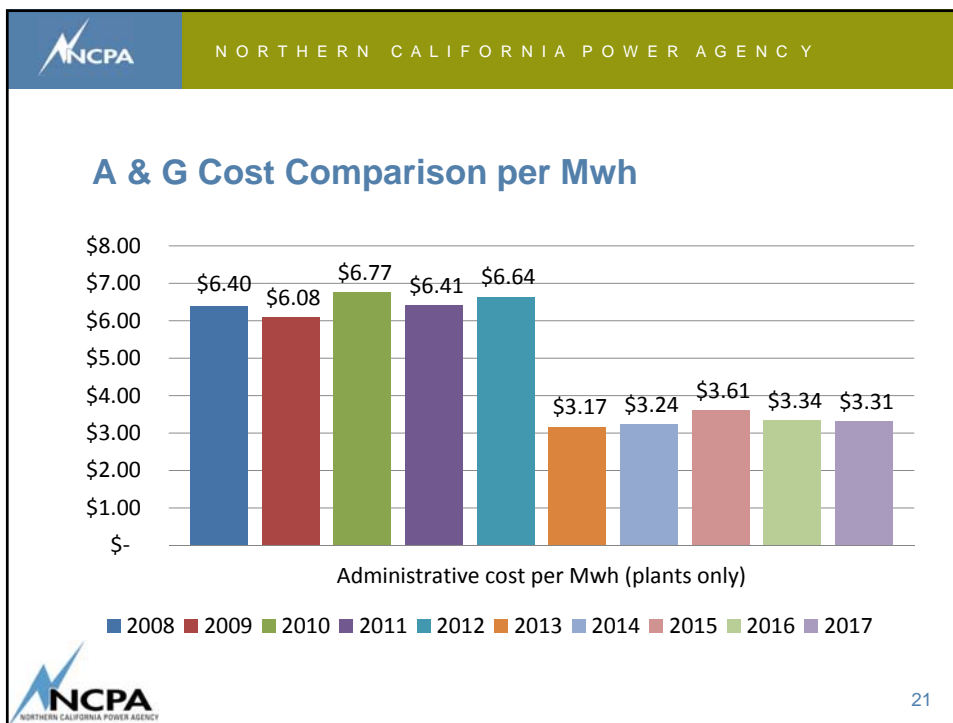
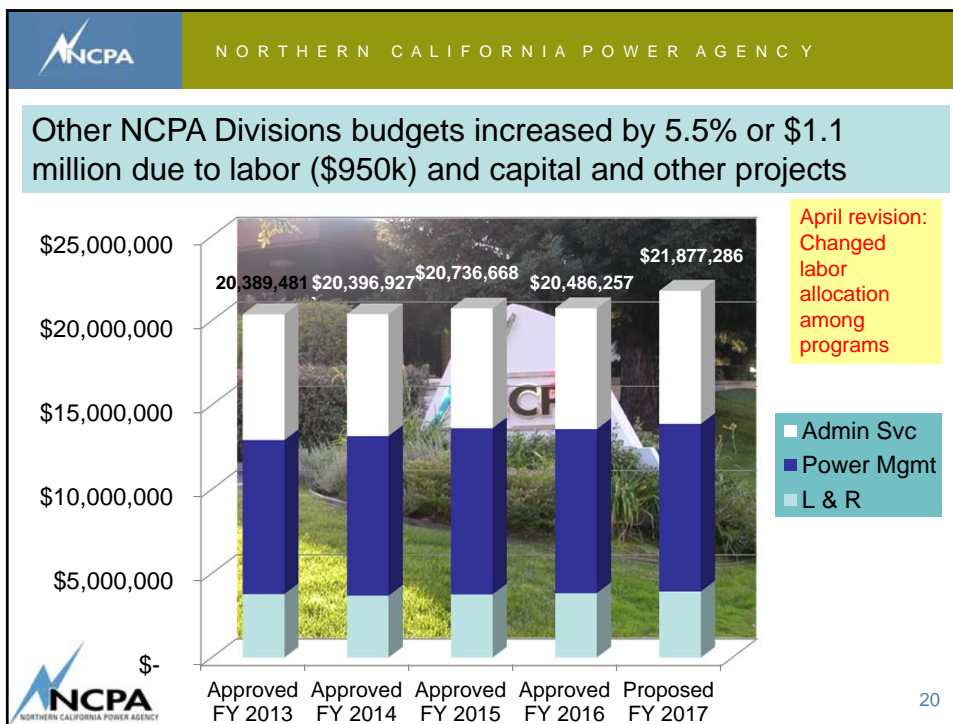


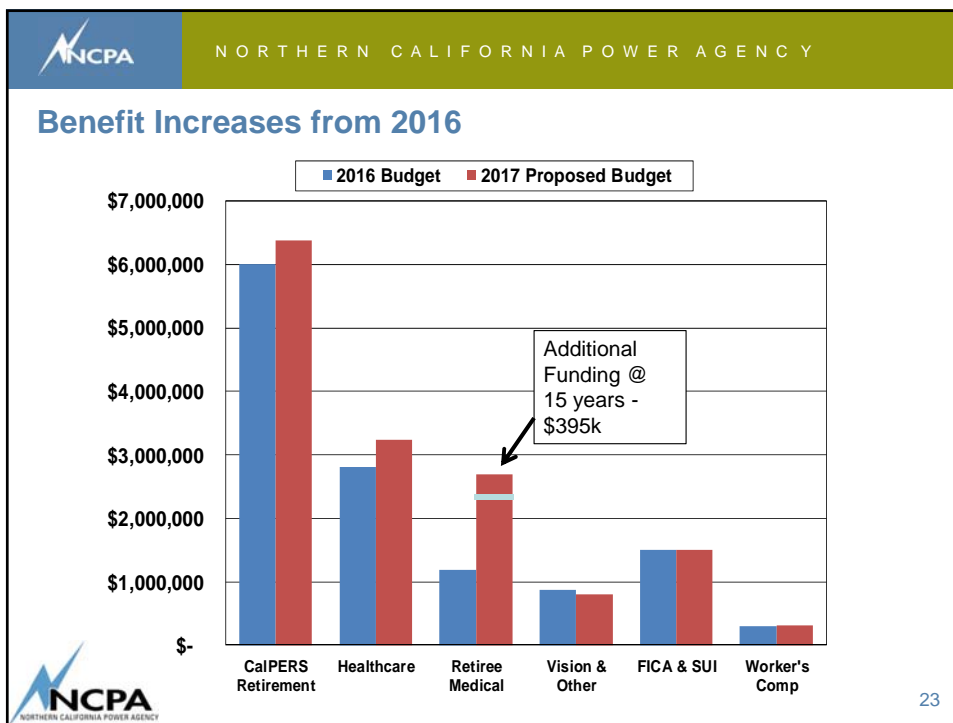
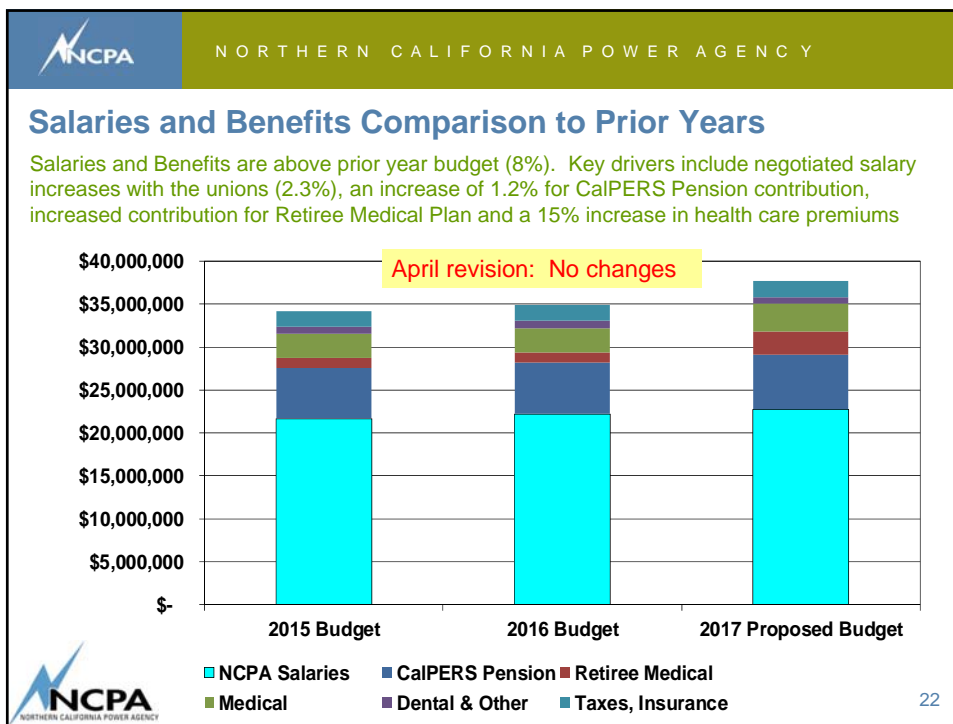
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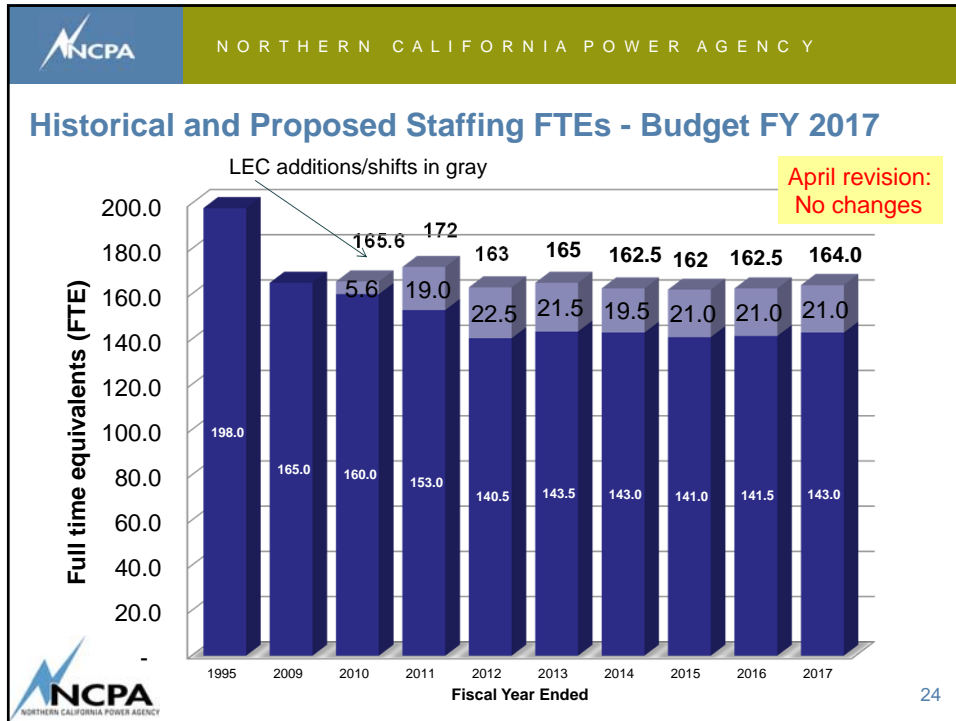


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**Proposed staffing changes for full time positions; net addition 1.5 FTE**

Action	FTE	Project/Program	Position
Add	1.0	Power Settlements	Accountant/Analyst I (if additional customers are added)
Delete	0.5	Human Resources	Delete Human Resources Assistant (1/2 year) used for succession planning
Add	1.0	Human Resources	Human Resources Assistant – for additional support in HR
<b>Net change</b>	<b>1.5</b>		

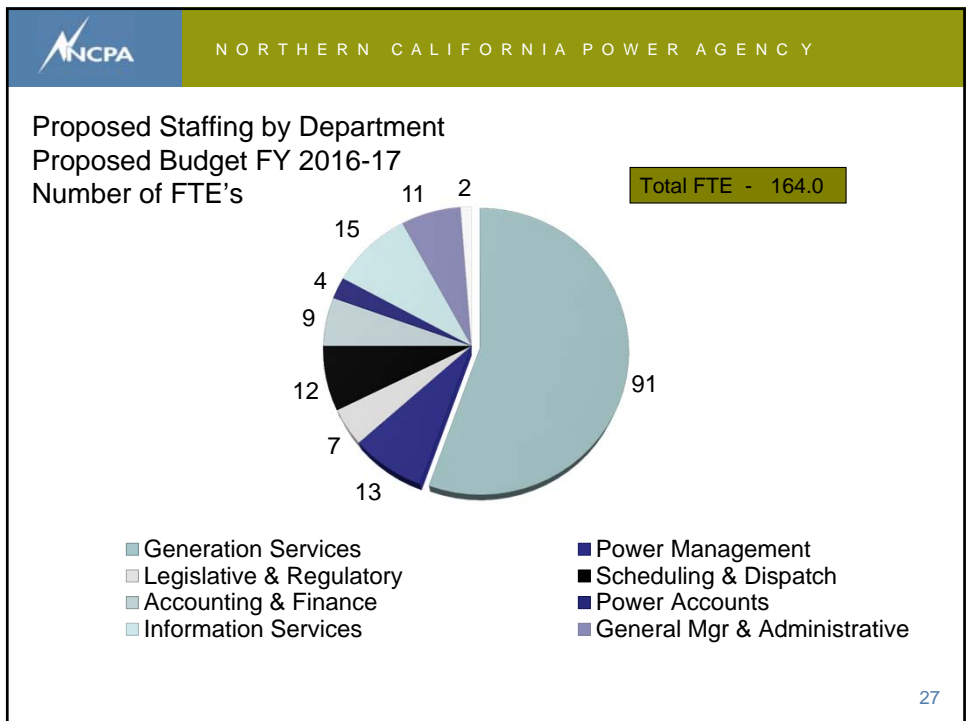
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**NCPA** NORTHERN CALIFORNIA POWER AGENCY

### Proposed staffing changes for part-time casual positions

Action	FTE	Project/Program	Position
Delete	-0.46	Human Resources	Delete Human Resources Director used for retirement transition
Add	0.39	CT (Gas Plants)	Student Intern (engineering)
<b>Net change</b>	<b>-0.07</b>		

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NCPA NORTHERN CALIFORNIA POWER AGENCY

### Salary & Benefit Changes

- Negotiations completed at end of CY 2015
  - Raises for represented employees are:
    - 3.75% for calendar 2016
    - 3.5% for calendar 2017
    - 3.25% for calendar 2018
- No COLA or step increases for unrepresented employees; salary adjustments are for merit, promotion, upgrades, training and certifications, etc. Merit only for high performing staff in accordance with approved merit plan.
- Benefit costs (medical, pension, etc.) up by 17.8% primarily due to CalPERS pension and Retiree Medical Plan cost increases due to changes in actuarial assumptions and additional funding for 15 year amortization of Retiree Medical liability

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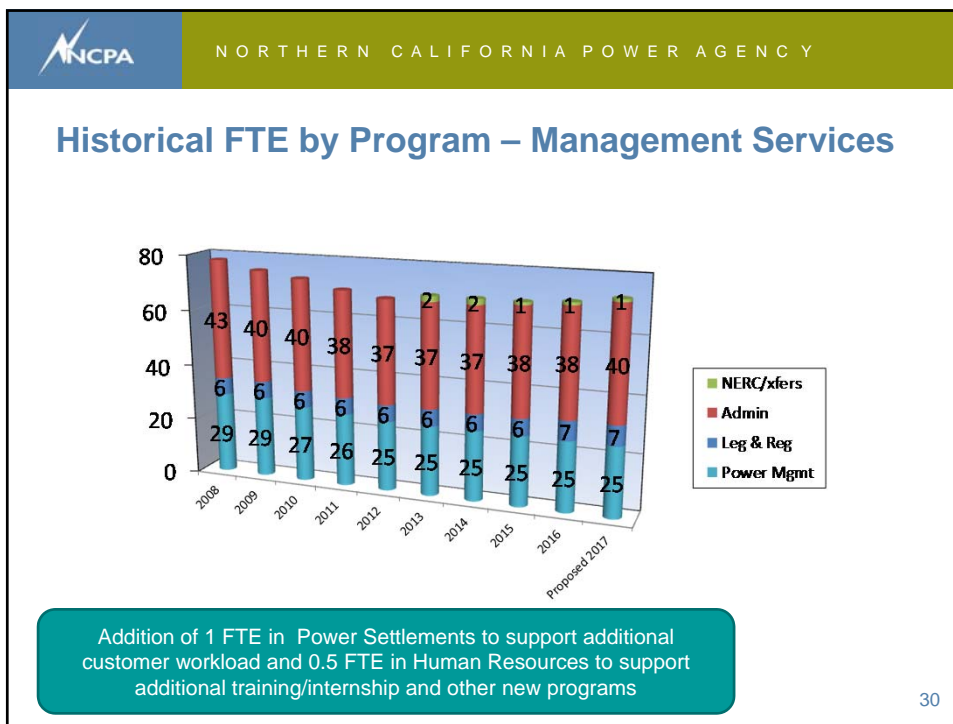
NCPA NORTHERN CALIFORNIA POWER AGENCY

### Historical FTE by Project – Generation Services

Year	LEC	Hydro	Geo	CT1 and 2	Gen Svcs	Total
2008	18	18	53	16	6	111
2009	18	18	53	15	6	110
2010	3.6	18	52	15	6	95.6
2011	19	18	49	13	5	104
2012	22.5	18	45	6.5	5	97
2013	21.5	18	45	6	4.5	95
2014	19.5	18	43	6	6	92.5
2015	21	18	42	6	5	92
2016	21	18	41	6	5	91
Proposed 2017	21	18	41	6	5	91

2017 includes no change in full time positions. Added one part-time casual student intern position at the CT plants

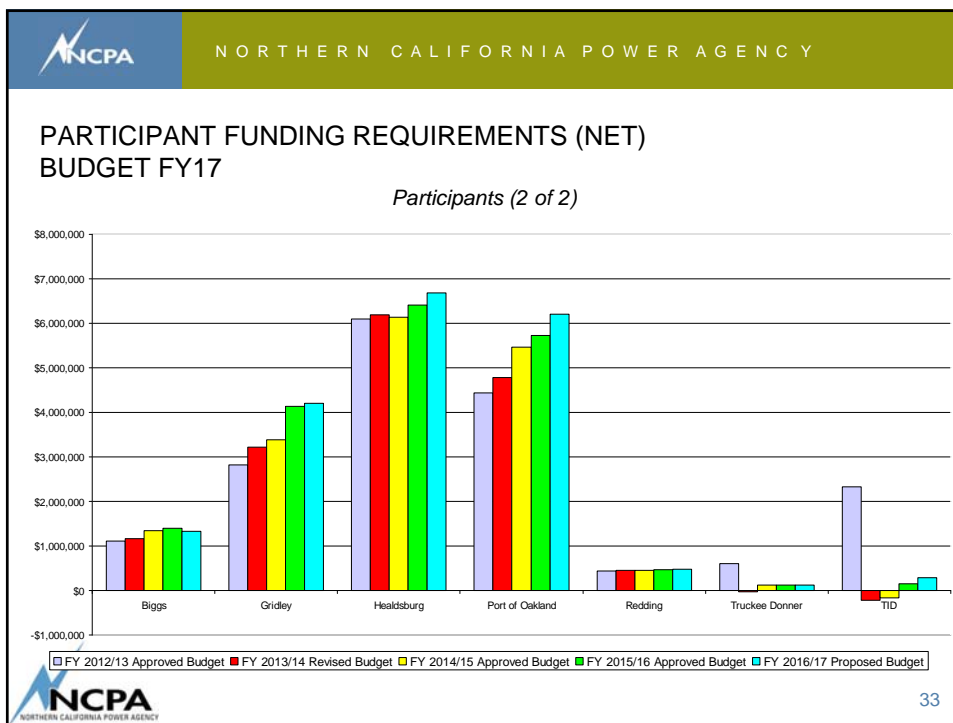
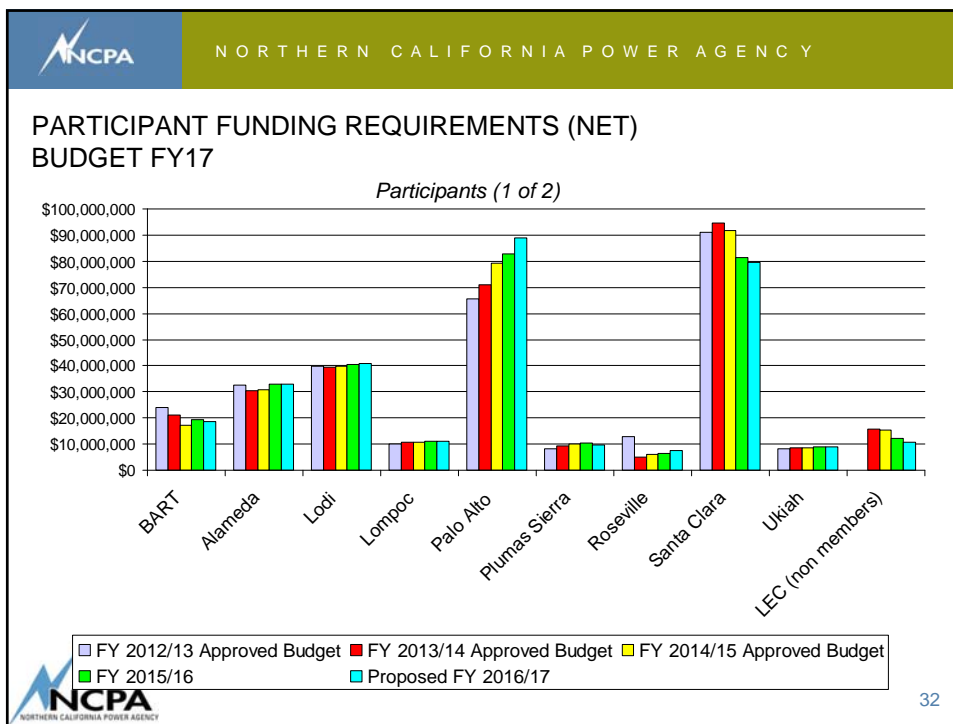
NCPA NORTHERN CALIFORNIA POWER AGENCY 29




## Cost Allocation Updates

- Administrative & General
  - No changes from last year
- Power Management
  - Changes to Nexant Cost Allocation
    - Reinstate PIRP treatment for Hour ahead and CAISO Schedule counts and maintain IT Unit complexity for PIRP resources at "1" (March 4 Commission meeting)
    - Adjust Prescheduling labor allocations based on updated time study conducted by NCPA (March 4 Commission meeting)
- Legislative & Regulatory
  - No changes from last year

April revision:  
No changes



**NCPA** NORTHERN CALIFORNIA POWER AGENCY



**NCPA** NORTHERN CALIFORNIA POWER AGENCY

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**NCPA** NORTHERN CALIFORNIA POWER AGENCY

### What changed from the March draft?

	<u>FY 2017</u>
<b>Expenses:</b>	
– Hydro project funding decreased	\$ (625,000)
– Transmission Access charges reduced for SVP	(4,357,141)
– Adjustment to labor between programs	-
– Reduce Generation Services Shared budget	(127,150)
– Increase LEC Capital Projects	100,000
– Pass through for BAMX reduced	(49,830)
– Shift of Anhydrous Ammonia Project between LEC and CT2	-
<b>Revenues</b>	
– Plant revenues were increased	(3,914,578)
<b>Net Change in Expenses and Revenue</b>	<b>\$ (8,973,695)</b>

**NCPA** NORTHERN CALIFORNIA POWER AGENCY

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