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Minutes

To: NCPA Commission
From: Cary A. Padgett, Assistant Secretary to the Commission
Subject: August 25, 2016, NCPA Commission Meeting

Item #1 – Call Meeting to Order and Introductions

Chairperson Carol Garcia called the meeting to order at 9:05 am at The Lodge at Nakoma, 348 Bear Run Road, Clio, California. A quorum was present. Introductions were made and Chair Garcia thanked Plumas-Sierra for hosting this month's meeting. Those in attendance are shown on the attached attendance list.

Item #2 – Approve Minutes of the July 27, 2016, Regular Commission Meeting

Motion: A motion was made by Roger Frith and seconded by Bob Lingl to approve the Minutes of the July 27, 2016, Regular 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 Gary Plass, Vice Mayor, City of Healdsburg.

REPORTS AND COMMITTEE UPDATES

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

- Provided an update on legislative activities.
- Gave an update on regionalization issues and the balancing market activities.
- Discussed the state legislative clean-up bill regarding SB 350.
- Provided an update on activities surrounding the PG&E's TO18 transmission case. ISO costs continue to increase. Assistant General Manager Dave Dockham provided a more detailed update on the case, as well as the settlement approach on PG&E's TO17 case.
- Assistant General Manager Ken Speer provided an update on the fire near Middletown and NCPA's Geothermal Plan. A few employees were evacuated, but there was no impact to the plant, and employees have returned to their homes.
- Gave a brief update the first session of NCPA's Leadership Training– staff received positive feedback from attendees and speakers.

- Update on Member visits: Met with Plumas-Sierra, Redding, Truckee Donner, and Shasta Lake.
- Upcoming APPA Underground Course registration is open. Please contact Marty Hostler if interested in staff attending – space is still available.

Item #4 – Executive Committee

Committee Chair Carol Garcia reported that the Committee met that morning and heard a report from the General Manager.

Item #5 – Facilities Committee

Assistant General Manager Dave Dockham reported the Committee met once since the last Commission meeting. The Committee met at its regular scheduled meeting and discussed Items 14, 15, 16, and 20 on today's Agenda. A quorum of the Committee was present at the meeting. The Committee recommended Commission approval of all items.

Item #6 – Finance Committee

Committee Chair Gary Plass reported the Committee met at its regular scheduled meeting on August 10th, and heard an update on the status of the Geothermal bond refinancing and recommended approval of future changes to the Finance Committee Membership, which is Item 13 on today's agenda. A Special Committee meeting is scheduled for September 14th at 9:00 am to review the proposed refinancing documents. A Special Committee meeting will also be held in October to review the draft fiscal year 2016 financial audit. The next regular scheduled Committee meeting is scheduled on November 9th at 10:00 am. Assistant General Manager Donna Stevener thanked Chair Plass for his leadership over the past two years as Chair of the Committee.

Item #7 – Legal Committee

Assistant General Counsel Ruthann Zeigler reported the Legal Committee did not meet.

Item #8 – Legislative & Regulatory Affairs Committee

- Committee Chair Bob Lingl reported the Committee met yesterday and discussed state legislation, pending regulatory proceedings related to RPS and GHG, the federal comprehensive energy bill, and pending CVP issues.
- NCPA hosted a lobby day in Sacramento on August 2nd that focused on ISO regionalization legislation. Thanks those members that participated.
- Registration for the Annual Conference being held on September 21-23, at the Resort at Squaw closes on September 1st. Members can still register online at www.ncpa.com.
- The next Committee meeting is scheduled on September 21st at the Resort at Squaw Creek.

Item #9 – Members' Announcements & Meeting Reporting

Barry Leska, Alameda, announced that Liz Warmerdam, Assistant City Manager, is the Interim General Manager for Alameda Municipal Power. The General Manager position is now open and can be found on Alameda's website.

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 Barry Leska to approve the Consent Calendar consisting of Items 10, 11, 12, 13, 14, 15, 16, 17, and 18. The motion carried by a majority of those members present on a roll call vote.
BART was absent.

Item #10 – NCPA’s Financials for the Month Ended July 31, 2016 – approval by all members.

Item #11 – Treasurer’s Report for the Month Ended July 31, 2016 – accept by all members.

Item #12 – Sale or Disposal of Surplus Property – note and file by all members the disposal of scrap metal, chairs and numerous computer components.

Fiscal Impact: none.

Item #13 – Appointments to the NCPA Finance Committee – ratify by all members the appointments of Ann Hatcher, Santa Clara; Madeline Deaton, Alameda; Matt Michaelis, Gridley and Philip McAvoy, Roseville as members of the Finance Committee, and to ratify the appointment of Madeline Deaton as Chairperson of the Finance Committee.

Fiscal Impact: none

Item #14 – Resolution 16-60, Approval of WAPA Letter of Agreement Number 16-SNR-01997 for the 2016 REC Program – adopt resolution by all members approving the WAPA Letter of Agreement Number 16-SNR-01997 on behalf of the NCPA members identified herein, and delegate authority to the NCPA General Manager to execute the LOA, including any non-substantive modifications to the WAPA Letter of Agreement Number 16-SNR-01997 approved by NCPA’s General Counsel.

Fiscal Impact: the estimated cost of this LOA is less than \$10,000, and will be allocated according to Base Resource percentages of represented members. NCPA administrative costs are allocated in accordance with approved cost allocation methodologies as described the NCPA annual budget.
Redding and Truckee Donner abstained.

Item #15 – Resolution 16-63, Approval of CY 2017 NCPA Capacity Pool Rates – adopt resolution by all members approving the Local Area and System Resource Adequacy capacity rates proposed herein for use in the NCPA Capacity Pool, as described in Pooling Schedule 4, during the 2017 Resource Adequacy compliance year.

Fiscal Impact: work associated with development of the NCPA Capacity Pool Local Area and System Resource Adequacy capacity rates has been undertaken pursuant to approved Power Management budget categories, and costs associated with this effort are allocated in accordance with approved cost allocation methodologies as described in the NCPA annual budget.

Palo Alto, Redding and Truckee Donner abstained.

Item #16 – Resolution 16-64, Approval of BART Confirmation for Agency Services – adopt resolution by all members approving the Confirmation for Agency Services, pursuant to the BART SMSA, and authorize the General Manager of NCPA to execute the Confirmation for Agency Services, on behalf of NCPA, including any non-substantive modifications to the Confirmation for Agency Services approved by NCPA’s General Counsel.

Fiscal Impact: in compensation for NCPA’s provision of Agency Services to BART, NCPA shall invoice BART for any and all direct costs incurred by NCPA, not otherwise currently included in BART’s allocated share of Power Management Services Costs and Administrative Services Cost,

pursuant to the BART SMSA, and consisting of new charges imposed on NCPA by others, including any direct fees assessed to NCPA by the CAISO for processing submitted data and requests, for work performed by NCPA on behalf of BART under the Confirmation for Agency Services.
Truckee Donner abstained.

Item #17 – Resolution 16-65, Approval of the Assignment, Assumption and Consent Agreement – adopt resolution by all members approving the Assignment, Assumption and Consent Agreement, and authorize the General Manager of NCPA to execute the Assignment, Assumption and Consent Agreement, on behalf of NCPA, including any non-substantive modifications to the Assignment, Assumption and Consent Agreement approved by NCPA’s General Counsel.

Fiscal Impact: the Confirmation that will be assigned to EDFT will not be modified; therefore, there are no material costs associated with the proposed assignment.

Port of Oakland, Redding and Truckee Donner abstained.

Item #18 – Resolution 16-66, Approval of the Meter Service Agreement for Scheduling Coordinators – adopt resolution by all members approving for the Meter Services Agreement for Scheduling Coordinators, and authorize the General Manager of NCPA to execute the Meter Services Agreement for Scheduling Coordinators, on behalf of NCPA, including any modifications to the Meter Services Agreement for Scheduling Coordinators approved by NCPA’s General Counsel.

Fiscal Impact: Work associated with development of the Meter Service Agreement for Scheduling Coordinators has been undertaken pursuant to approved Power Management budget categories, and costs associated with this effort are allocated in accordance with approved cost allocation methodologies as described in the NCPA annual budget.

Redding and Truckee Donner abstained.

DISCUSSION / ACTION ITEMS

Item #19 – Resolution 16-61, Approval of First Amendment to Employment Agreement with the General Manager – adopt resolution by all members approving a First Amendment to Employment Agreement, providing a five (5%) pay increase for the General Manager effective September 4, 2016.

Fiscal Impact: funds are available in the Executive Services Salaries and Benefits account, and there is not a material change to the current fiscal year budget.

Human Resources Manager Vicki Cichocki provided a background and explanation on the First Amendment to Employment Agreement with the General Manager. The Executive Committee reviewed and approved the General Manager’s performance and recommended a five percent pay increase.

Motion: A motion was made by Bob Lingl and seconded by Mel Grandi to adopt Resolution 16-61, approve a First Amendment to Employment Agreement, providing a five (5%) pay increase for the General Manager effective September 4, 2016. The motion carried by a unanimous roll call vote of those members present.

BART was absent.

Item #20 – Resolution 16-62, Adit 4 Spoils Stabilization Project – Authorizing the General Manager to issue Purchase Orders For Engineering and Permitting Support Associated With Adit 4 Landslide – adopt resolution by all members authorizing the General Manager or his designee to issue Purchase Orders for an amount not to exceed \$500,000 against the previously approved Multi-Task Service Agreement with GHD Inc., for engineering and permitting support associated with the Adit 4 landslide.

Fiscal Impact: preliminary budget estimates to complete the repair are \$4.5M. As detailed design progresses, cost estimates will be updated. An insurance claim is presently under consideration. The insurer has retained an outside engineer to review the site damage, as well as the reports produced by NCPA to date. Staff provided the BODR to the insurer in June and will continue discussions as appropriate. Preliminary cash flow expenditures for the remainder of 2016 are estimated at \$0.3M for engineering consulting and staff time. Cash flow expenditures for 2017 for construction and quality control/inspection are estimated at \$4.2M. All NCPA procurement policies and procedures, including competitive bidding and Public Works bidding, will be followed during the procurement processes.

Assistant General Manager Ken Speer provided a detailed presentation on the repairs needed at the Adit 4 Spoils facility. The Facilities Committee reviewed and recommended Commission approval.

Motion: A motion was made by Gary Plass and seconded by Barry Leska authorizing the General Manager or his designee to issue Purchase Orders for an amount not to exceed \$500,000 against the previously approved Multi-Task Service Agreement with GHD Inc., for engineering and permitting support associated with the Adit 4 landslide. The motion carried by a unanimous roll call vote of those members present.

BART was absent. Port of Oakland, Redding and Truckee Donner abstained.

CLOSED SESSION

Item # 21 – 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, Assistant General Counsel Ruthann Zeigler reported there was no reportable action on Closed Session Item 21.

NEW BUSINESS

Assistant General Manager/CFO Donna Stevener announced that NCPA received reimbursement from FEMA for the Valley Fires that occurred last year near NCPA's Geothermal Plant.

Ms. Stevener thanked Plumas-Sierra staff for the efforts in assisting with setting up communication systems during the recent fire in Middletown.

ADJOURNMENT

The August 26, 2016, Commission meeting was adjourned at 10:03 am.

Respectfully submitted,


CARY A. PADGETT
Assistant Secretary to the Commission

Attachments

**Northern California Power Agency
 Commission Meeting of August 25, 2016
 COMMISSIONER
 Attendance List**

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

MEMBER	NAME
ALAMEDA	BARRY LESKA <i>BL</i>
BIGGS	Rory I. <i>Rory I. [Signature]</i>
GRIDLEY	PAUL ECKERT
HEALDSBURG	Garry Phares <i>Garry Phares [Signature]</i>
LODI	Mark Chandler
LOMPOC	Bob Ling /
PALO ALTO	H. Fowler
PORT OF OAKLAND	Basil Wong
PLUMAS-SIERRA REC	DAN KENNEY
REDDING	Elizabeth Hoadby
ROSEVILLE	Carol Barcui
SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT	
SANTA CLARA	John Rontkema
TRUCKEE DONNER	Beth Elly
UKIAH	M.J. Gaudin

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: 8/25/16

Consent Items Listed on the Agenda: # 10 to # 18

Consent Items Removed from the Agenda and Approved Separately:

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ROLL-CALL VOTE BY MEMBERS: Hea / Alameda

Member	Item Numbers Abstained	Vote	Absent
Alameda		Y	
BART			X
Biggs		Y	
Gridley		Y	
Healdsburg		Y	
Lodi		Y	
Lompoc		Y	
Palo Alto	15	Y	
Port of Oakland	17	Y	
Redding	14 15 17 18	Y	
Roseville		Y	
Santa Clara		Y	
Truckee Donner	14-18	Y	
Ukiah		Y	
Plumas-Sierra		Y	


ATTEST: Cary A. Padgett
 Cary A. Padgett
 Assistant Secretary to the Commission

Northern California Power Agency
ROLL CALL VOTE

Topic: item 19 Resolution 14-61

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

Passed and adopted this 25th day of August 2016, by the above vote on roll call.


CAROL GARCIA
Chairperson

ATTEST: 
CARY A. PADGETT
Assistant Secretary

**Northern California Power Agency
ROLL CALL VOTE**

Topic: item 20 - Resolution 16-62

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

Passed and adopted this 25th day of August 2016, by the above vote on roll call.

Carol Garcia
CAROL GARCIA
Chairperson

ATTEST: Cary A. Padgett
CARY A. PADGETT
Assistant Secretary