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# Facilities Committee Meeting Agenda

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**Date:** April 3, 2024  
**Subject:** NCPA Facilities Committee Meeting  
**Location:** NCPA, 651 Commerce Drive, Roseville, California 95678 // Conference Call  
**Time:** 9:00 am

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**\*\*In compliance with the Brown Act, you may participate via teleconference at one of the meeting locations listed below or attend at NCPA Headquarters. In either case, please: (1) post this Agenda at a publicly accessible location at the participation location no later than 72-hours before the meeting begins, and (2) have a speaker phone available for any member of the public who may wish to attend at your location.\*\***

## **NCPA, 651 Commerce Drive, Roseville, CA 95678 (916) 781-3636**

ALAMEDA MUNICIPAL PWR 2000 Grand St., Alameda, CA	BAY AREA RAPID TRANSIT 2150 Webster Street, 1 <sup>st</sup> Floor, Oakland, CA	CITY OF BIGGS 3016 Sixth Street, Biggs, CA
CITY OF GRIDLEY 685 Kentucky Street, Gridley, CA	CITY OF HEALDSBURG 401 Grove Street, Healdsburg, CA	CITY OF LODI 1331 S. Ham Lane, Lodi, CA and 221 W. Pine Street, Lodi, CA
CITY OF LOMPOC 100 Civic Ctr. Plaza, Lompoc, CA	CITY OF PALO ALTO 250 Hamilton Avenue, 3 <sup>rd</sup> Floor Palo Alto, CA	PLUMAS-SIERRA REC 3524 Mulholland Way, Sacramento CA
PORT OF OAKLAND 530 Water Street, Oakland, CA	CITY OF REDDING 3611 Avtech Pkwy., Redding, CA	CITY OF ROSEVILLE 2090 Hilltop Circle, Roseville, CA
CITY OF SHASTA LAKE 3570 Iron Court, Shasta Lake, CA	SILICON VALLEY POWER 881 Martin Ave., Santa Clara, CA	TURLOCK IRRIGATION DISTRICT 333 E. Canal Drive, Turlock, CA
CITY OF UKIAH 300 Seminary Ave., Ukiah, CA		

*The Facilities Committee may take action on any of the items listed on this Agenda regardless of whether the matter appears as a Discussion/Action Item or a Report or an Information Item. When this Agenda is supplemented by Staff Reports, they 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).*

*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.*

## REVIEW SAFETY PROCEDURES

### 1. Call Meeting to Order and Roll Call

#### PUBLIC FORUM

Any member of the public who desires to address the Committee on any item considered by the Committee at this meeting before or during the Committee'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 Committee on any item within the jurisdiction of the Committee and not listed on the Agenda may do so at this time.

#### OPEN SESSION

#### DISCUSSION / ACTION ITEMS

2. **Approval of Minutes** – Approve minutes from the March 6, 2024 Regular Facilities Committee meeting and the March 19, 2024 Special Facilities Committee Meeting.
  3. **All NCPA Facilities, Members, SCPPA – Allied Power Group, LLC MTGSA-EMS** – Staff is seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies with Allied Power Group, LLC for inspection and maintenance related services, with a not to exceed amount of \$2,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures. (*Commission Category: Consent; Sponsor: CTs*)
  4. **All NCPA Facilities, Members, SCPPA – Cornerstone Land Service, LLC First Amendment to MTGSA** – Staff is seeking a recommendation for Commission approval of a First Amendment to the five-year Multi-Task General Services Agreement with Cornerstone Land Service, LLC for snow and debris removal, logging, and vegetation management related services, increasing the not to exceed amount from \$200,000 to \$1,000,000, with no change to the contract term, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures. (*Commission Category: Consent; Sponsor: Hydro*)
  5. **All NCPA Facilities, Members, SCPPA – Mountaineering Engineering Corp MTPSA** – Staff is seeking a recommendation for Commission approval of a five-year Multi-Task Professional Services Agreement with Mountaineering Engineering Corp for on-site maintenance contractor oversight and engineering inspection related services, with a not to exceed amount of \$500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures. (*Commission Category: Consent; Sponsor: Hydro*)
  6. **NCPA Cyber Security Insurance Renewal** – Staff is seeking a recommendation for Commission approval to renew the Agency's Cyber Security insurance program for May 2024 – May 2025. (*Commission Category: Consent; Sponsor: Risk Management*)
  7. **Exhibit C, Revision 25 to Contract 96-SNR-00110 (WAPA O&M Funding Commitment)** – Staff is seeking a recommendation for Commission approval of Exhibit C, Revision 26 to Contract 96-SNR-00110, and authorizing the General Manager of NCPA to execute Exhibit C, Revision 26 to Contract 96-SNR-00110, on behalf of NCPA. (*Commission Category: Discussion/Action; Sponsor: Power Management*)
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8. **NCPA Preliminary Studies and Investigations Procedure (GS-201)** – Staff is seeking a recommendation for Commission approval of the NCPA Preliminary Studies and Investigations (PS&I) Procedure (GS-201). (*Commission Category: Discussion/Action; Sponsor: Generation Services Administration*)
9. **NCPA Geothermal Plant 2 480V MCC Building Replacement Project – Phase 1 – Engineering Design Package** – Staff is seeking a recommendation for Commission approval of Phase 1 – Engineering Design Package for the Geothermal Plant 2 480V MCC Building Replacement Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for a total not to exceed amount of \$350,000, with \$100,000 to be funded from the FY24 budget, and the remaining \$250,000 collected in the FY25 Geothermal budget. (*Commission Category: Discussion/ Action; Sponsor: Geo*)
10. **Grace Solar PPA and Third Phase Agreement** – Staff is seeking a recommendation for Commission approval of (i) the Grace Solar Renewable Power Purchase Agreement, and (ii) the Grace Solar Renewable Power Purchase Agreement Third Phase Agreement. (*Commission Category: Discussion/Action; Sponsor: Power Management*)
11. **FY2025 Annual Budget Review and Approval** – Staff will present and review the final budget for FY2025, and will be seeking a recommendation for Commission approval of the budget. (*Commission Category: Discussion/Action; Sponsor: Administrative Services*)

#### **INFORMATIONAL ITEMS**

12. **New Business Opportunities** – Staff will provide an update regarding new business opportunities. (*Sponsor: Power Management*)
13. **NCPA Generation Services Plant Updates** – Plant Staff will provide the Committee with an informational update on current plant activities and conditions. (*Sponsor: Generation Services*)
14. **Planning and Operations Update** – Staff will provide an update on issues related to planning and operations. (*Sponsor: Power Management*)
15. **Next Meeting** – The next Facilities Committee meeting is scheduled for May 1, 2024.

#### **ADJOURNMENT**

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# Minutes

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**To:** NCPA Facilities Committee

**From:** Michelle Schellentrager

**Subject:** March 6, 2024 Facilities Committee Meeting Minutes

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- 1. Call meeting to order & Roll Call** – The meeting was called to order by Committee Chair Shiva Swaminathan (Palo Alto) at 9:05 am. Attending via teleconference and on-line presentation were Alan Harbottle (Alameda), Josh Cook and Bo Shepard (Biggs), Elisa Arteaga (Gridley), Brad Wilkie (Lompoc), Shiva Swaminathan (Palo Alto), Nathan Tan (Port of Oakland), Kamryn Hutson (Redding), Brian Schinstock (Roseville), Basil Wong (Santa Clara), and Cindy Sauers (Ukiah). Peter Lorenz (non-voting Representative with TID) also attended via teleconference and on-line presentation. Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Healdsburg, Plumas-Sierra, and Shasta Lake were absent. A quorum of the Committee was established.

## **PUBLIC FORUM**

No public comment.

## **OPEN SESSION**

## **DISCUSSION / ACTION ITEMS**

- 2. Approval of Minutes from the February 7, 2024 Facilities Committee meetings.**

**Motion:** A motion was made by Shiva Swaminathan and seconded by Jiayo Chiang recommending approval of the February 7, 2024 Facilities Committee meetings. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, and Ukiah. The motion passed.

- **Basil Wong (Santa Clara) was on the call but was not yet at his noticed location, and was unable to participate in the vote for this item.**

- 3. All NCPA Facilities, Members, SCPPA – Trimark Associates, Inc. MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Trimark Associates, Inc. for miscellaneous meter maintenance, operations, data, and related design engineering services, with a not to exceed amount of \$2,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.

This is a current NCPA vendor whose agreement is expiring. NCPA has utilized this vendor in the past, and has a good working relationship with this vendor. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future purchases. This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA has an agreement in place for similar services with Ulteig Operations, LLC. A draft Commission Staff Report and agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

**Motion:** A motion was made by Brian Schinstock and seconded by Josh Cook recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Trimark Associates, Inc. for miscellaneous meter maintenance, operations, data, and related design engineering services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$2,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Roseville, and Ukiah. ABSTAIN = Redding. The motion passed.

- **Basil Wong (Santa Clara) was on the call but was not yet at his noticed location, and was unable to participate in the vote for this item.**

4. **All NCPA Facilities, Members, SCPPA – Ulteig Operations, LLC MTGSA –** Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Ulteig Operations, LLC for miscellaneous meter maintenance, operations, data, and related design engineering services, with a not to exceed amount of \$2,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.

This is a current NCPA vendor whose agreement is expiring. NCPA has utilized this vendor in the past, and has a good working relationship with this vendor. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future purchases. This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA has an agreement in place for similar services with Trimark Associates, Inc. A draft Commission Staff Report and agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

**Motion:** A motion was made by Brad Wilkie and seconded by Elisa Arteaga recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Ulteig Operations, LLC for miscellaneous meter maintenance, operations, data, and related design engineering services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$2,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Roseville, Santa Clara, and Ukiah. ABSTAIN = Redding. The motion passed.

5. **All NCPA Facilities, Members, SCPPA – GEI Consultants, Inc. MTPSA –** Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Professional Services Agreement with GEI Consultants, Inc. for dam safety and structural engineering related services, with a not to exceed amount of \$5,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.

This is a current NCPA vendor whose agreement is expiring. NCPA has utilized this vendor in the past, and has a good working relationship with this vendor. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future purchases. This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA has agreements in place for similar services with AECOM Technical Services, Condor Earth, HDR Engineering, and Mead & Hunt, Inc. A draft Commission Staff Report and agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

**Motion:** A motion was made by Cindy Sauers and seconded by Basil Wong recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with GEI Consultants, Inc. for dam safety and structural engineering related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, with a not to exceed amount of \$5,000,000, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Roseville, Santa Clara, and Ukiah. ABSTAIN = Redding. The motion passed.

- 6. All NCPA Facilities – PME Babbitt Bearings Second Amendment to MTGSA –** Staff presented background information and was seeking a recommendation for Commission approval of a Second Amendment to the five-year Multi-Task General Services Agreement with PME Babbitt Bearings for off-site maintenance and labor services at its facility located in Minden, Nevada, increasing the not to exceed amount from \$235,000 to \$750,000, with no change to the contract term, for continued use at all facilities owned and/or operated by NCPA.

NCPA entered into a five-year Multi-Task General Services Agreement with PME Babbitt Bearings, effective June 24, 2020, for an amount not to exceed \$190,000, for use at any facilities owned and/or operated by NCPA. NCPA then entered into a First Amendment to the MTGSA, effective October 3, 2023, to further increase the not to exceed amount from \$95,000 to \$235,000,

NCPA has used this vendor extensively to provide casting and machining babbitt and re-babbitt of bearings. NCPA now desires to enter into a Second Amendment to the Multi-Task General Services agreement to increase the not to exceed amount from \$235,000 to \$750,000 to ensure sufficient funds are available through the remainder of the contract term, should this vendor be the successful bidder on this or any future work. This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA has an agreement in place for similar services with TCB Industrial, Inc.

**Motion:** A motion was made by Brian Schinstock and seconded by Shiva Swaminathan recommending Commission approval authorizing the General Manager or his designee to enter into a Second Amendment to the Multi-Task General Services Agreement with PME Babbitt Bearings for off-site maintenance and labor services at its facility located in Minden, Nevada, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$235,000 to \$750,000, for continued use at any facilities owned and/or operated by NCPA. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Roseville, Santa Clara, and Ukiah. ABSTAIN = Redding. The motion passed.

- 7. NCPA Geothermal Facility – Konocti Ridge Corporate dba California Exterminators Alliance First Amendment to MTGSA –** Staff presented background information and was seeking a recommendation for Commission approval of a First Amendment to the five-year

Multi-Task General Services Agreement with Konocti Ridge Corporate dba California Exterminators Alliance for pest control and weed spraying services, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$1225,000 to \$500,000 and amending Exhibit B – Compensation Schedule and Hourly Fees, for continued use at NCPA's Geothermal Facility.

NCPA entered into a five-year Multi-Task General Services Agreement with Konocti Ridge Corporate dba California Exterminators Alliance, effective July 28, 2020, for an amount not to exceed \$225,000, for use at NCPA's Geothermal Facility.

NCPA has used this vendor extensively for pest control and weed spraying services, and the agreement is running low on funds. NCPA now desires to enter into a First Amendment to the Multi-Task General Services agreement to increase the not to exceed amount from \$225,000 to \$500,000 to ensure sufficient funds are available for the remainder of the contract term. Exhibit B – Compensation Schedule and Hourly Fees will also be amended as requested by the vendor to reflect an increase in labor costs for existing and additional services. This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA has an agreement in place for similar services with Clark Pest Control.

**Motion:** A motion was made by Jiayo Chiang and seconded by Shiva Swaminathan recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Konocti Ridge Corporate dba California Exterminators Alliance for pest control and weed spraying services, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$225,000 to \$500,000 and amending Exhibit B – Compensation Schedule and Hourly Fees, for continued use at NCPA's Geothermal Facility. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Roseville, Santa Clara, and Ukiah. ABSTAIN = Redding. The motion passed.

- 8. NCPA Geothermal Facility – Bureau of Land Management Site License Renewals –** Staff presented background information and was seeking a recommendation for Commission approval authorizing the General Manager or his designee to execute Site License Agreement CACA 5084 (NCPA 1) and Site License Agreement CACA 13308 (NCPA 2) with the Bureau of Land Management to allow NCPA to continue to operate and maintain the geothermal power plants, with any non-substantial changes recommended and approved by the NCPA General Counsel, for a period of thirty years.

NCPA operates and maintains a Geothermal Facility consisting of two geothermal power plants: NCPA Geothermal Plant 1 and NCPA Geothermal Plant 1. NCPA's ability to operate and maintain these geothermal plants was established through two Site License Agreements between NCPA and the Bureau of Land Management (BLM). These original site license agreements carried a term of thirty years, and have now expired. NCPA is now seeking approval to renew these Site License Agreements, which will allow NCPA to continue to operate and maintain the geothermal power plants for another thirty-year term.

**Motion:** A motion was made by Cindy Sauers and seconded by Brad Wilkie recommending Commission approval authorizing the General Manager or his designee to execute Site License Agreement CACA 5084 (NCPA 1) and Site License Agreement CACA 13308 (NCPA 2) with the Bureau of Land Management to allow NCPA to continue to operate and maintain the geothermal power plants, with any non-substantial changes recommended and approved by the NCPA General Counsel, for a period of thirty years. YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Port of Oakland, Roseville, Santa Clara, and Ukiah. ABSTAIN = Palo Alto and Redding. The motion passed.



- 9. NCPA Transmission Owner Rate Case Program Agreement** – Staff presented background information and was seeking a recommendation for Commission approval authorizing the General Manager of Northern California Power Agency (NCPA) to enter into the Transmission Owner Rate Case Program Agreement on behalf of NCPA, including any modifications to the Transmission Owner Rate Case Program Agreement approved by the NCPA General Counsel.

NCPA was directed by the Commission to establish facilitates, staff and the capability to act on behalf of Members who elect to participate (“Participants”) in certain activities pertaining to proceedings that effect transmission costs. As a result of the direction, NCPA developed the Transmission Owner Rate Case Program Agreement (“Program Agreement”) to provide such services to the Participants. This agreement establishes the terms and conditions under which NCPA will supply these services.

Services provided under the Program Agreement will include engaging in certain activities, either directly, indirectly, or in conjunction with legal counsel and subject matter experts, pertaining to proceedings that effect the CAISO transmission costs, or other transmission costs as may be applicable, to protect Participating Members, monitoring, analyzing and participating in Transmission Owner (“TO”) rate cases before FERC and any related judicial appears, engaging in other related filings and industry developments that may affect the cost or provision of transmission service under TO rate cases, and engaging in other transmission cost related activities as approved by the Participants.

The Commission will be ultimately responsible for general administration of the Program Agreement, but it was noted that the Program Agreement specifically delegates the provision of Services and normal day-to-day engagement to NCPA’s General Manager. Additionally, the General Manager may consult with Participants from time to time (as needed) to seek advice and direction regarding levels of engagement to TO Rate Cases. Any formal actions of the Commission will occur at a Commission meeting and will require an affirmative vote of eighty percent (80%) or more of the Participants. An annual budget for the program will be approved by the Commission each fiscal year. Actions for Commission consideration can be referred to the Facilities Committee for review. Authority to update or change the Program Participant Percentages is delegated to the Commission, and would not trigger further Member action.

The agreement will become effective once executed by the Participants and NCPA. This agreement is considered Evergreen, and will remain in effect until terminated by election of the Parties (there is no specific end date). Any costs incurred under the program (direct and indirect) will be allocated to the Participants based on the Program Participant Percentages, as reflected in Exhibit A of the Program Agreement. New Members can join the program, and existing Participants can withdraw from the program, subject to the requirements of the Program Agreement.

**Motion:** A motion was made by Basil Wong and seconded by Jiayo Chiang recommending Commission approval authorizing the General Manager of Northern California Power Agency (NCPA) to enter into the Transmission Owner Rate Case Program Agreement on behalf of NCPA, including any modifications to the Transmission Owner Rate Case Program Agreement approved by the NCPA General Counsel. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, Santa Clara, and Ukiah. The motion passed.

- 10. NCPA Geothermal Facility – First Amendment to Resolution 22-93 for the NCPA Geothermal Plant 1 Cooling Tower Refurbishment Project** – Staff provided background information and was seeking a recommendation for Commission approval of Amendment to Resolution 22-93 authorizing additional funds of \$1,741,353 for the Geothermal Plant 1 Cooling



Tower Refurbishment Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for an updated total not to exceed cost of \$4,600,000, with \$1,800,000 of the project funds contingent upon future approval of the FY25 budget, and approval to spend up to \$150,000 from the planned FY24 Maintenance Reserve fund and to spend up to \$150,000 from the contingent FY25 Maintenance Reserve fund.

NCPA staff determined that the Geothermal Plant 1 Cooling Tower was in need of refurbishment and thermal upgrade services. Staff identified possible thermal performance deficiencies due to aging structure and cooling tower fill technology. New cooling tower fill will reduce the cooling tower circulating temperature and improve the condenser back pressure, increasing generation by a minimum of 1.5 MW. The Geothermal Plant 1 Cooling Tower Project was originally approved by the Commission on August 25, 2022 (Resolution 22-93) for an amount not to exceed \$2,858,647. This project is broken into three phases:

- Phase 1 – Material Procurement and Delivery (FY23)
- Phase 2 – Cooling Tower Refurbishment Installation – Unit 2 (FY24)
- Phase 3 – Cooling Tower Refurbishment Installation – Unit 1 (FY25)

In March 2022, a Request for Proposal (“RFP”) for the Geothermal Plant 1 Cooling Tower Refurbishment Project was released. Two vendors submitted proposals, but both proposals were deemed non-responsive due to various technical exceptions. After negotiating directly with both vendors, NCPA awarded purchase of the cooling tower fill product to EvapTech, Inc. Unfortunately, the original 2022 project scope did not include prevailing wages in the labor costs or trucking and disposal costs of the old cooling tower fill. As a result, NCPA did not have sufficient funds for installation of the purchased fill.

In November 2023, an RFP was sent out for installation of the new cooling tower fill, with the previously-missing prevailing wage costs included. NCPA also sent out a separate RFP for removal and disposal of the old cooling tower fill. NCPA intends to award installation of the cooling tower fill to Alliance Cooling Products & Construction, Inc. The trucking and disposal costs of the old fill material will be awarded to MP Environmental Services. Award of the work to both of these vendors is pending Commission approval of the First Amendment to the Plant 1 Cooling Tower Refurbishment Project.

The original cost of the Plant 1 Cooling Tower Refurbishment Project was not to exceed \$2,858,647. Staff is now seeking approval for an additional \$1,741,353 to complete Phases 2 and 3 of the project, as well as the trucking and disposal of the old cooling tower fill material, for

<b>Phase 1 – Material Procurement &amp; Delivery (FY23) COMPLETE</b>	<b>\$1,000,000</b>
<b>Total</b>	<b>\$1,000,000</b>
<b>Phase 2 – Cooling Tower Refurbishment (FY24) Replacement for Unit 2 in FY24</b>	<b>\$1,152,129</b>
Disposal and Trucking of old fill	\$250,000
Tower Maintenance Activities (to be funded from Maintenance Reserve)	\$150,000
Contingency (~7%)	\$97,871
<b>Total</b>	<b>\$1,650,000</b>
<b>Phase 3 – Cooling Tower Refurbishment (FY25) Replacement for Unit 2 in FY25</b>	<b>\$1,285,627</b>
Disposal and Trucking of old fill	\$275,000
Tower Maintenance Activities (to be funded from Maintenance Reserve)	\$150,000
* Contingency (~13%)	\$239,373
<b>Total</b>	<b>\$1,950,000</b>
<b>Total Project Cost</b>	<b>\$4,600,000</b>

an updated total project cost of not to exceed \$4,600,000. Funds from the remaining phases of this project will come from the FY24 and FY25 budgets. Funds from the FY25 budget are contingent upon future approval of the budget, and no commitment of funds will be made until that date. A breakdown of project costs is included in the table below.

Phases 2 and 3 of this project include line items for Tower Maintenance Activities, which covers potential discovery maintenance work inside the cooling towers, to be funded from the Maintenance Reserve fund.

**Motion:** A motion was made by Basil Wong and seconded by Brad Wilkie recommending Commission of Amendment to Resolution 22-93 authorizing additional funds of \$1,741,353 for the Geothermal Plant 1 Cooling Tower Refurbishment Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for an updated total not to exceed cost of \$4,600,000, with \$1,800,000 of the project funds contingent upon future approval of the FY25 budget, and approval to spend up to \$150,000 from the planned FY24 Maintenance Reserve fund and to spend up to \$150,000 from the contingent FY25 Maintenance Reserve fund.. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Roseville, Santa Clara, and Ukiah. ABSTAIN = Port of Oakland and Redding. The motion passed.

**11. NCPA Preliminary Studies and Investigations Procedure** – Staff provided background information and was seeking a recommendation for Commission approval of the NCPA Preliminary Studies and Investigations Procedure (GS-201), establishing a process for the use of funds in the Preliminary Studies and Investigations (PS&I) budget account, including the requirements for project evaluation approvals, funds tracking, and reimbursement.

In March 2023 the NCPA Commission directed NCPA to establish a Preliminary Studies and Investigations (PS&I) budget account and procedure to fund such activities towards new projects that might be of interest to members. On January 3, 2024, NCPA proposed both a PSI procedure and two potential transmission projects to the Facilities Committee. Neither moved forward, the Facilities Committee requested clarification on the PS&I process and intent. This item was brought to the NCPA Commission meeting on January 18, 2024 for further clarification and discussion. On February 7, 2024, NCPA presented the PS&I Procedure to the Facilities Committee as an informational item for further question and comments.

Staff presented an updated flow chart of the PS&I Procedure. Step 1 – Conceptual Projects details the process through which project screening will take place. will be brought to the Facilities Committee and Utility Director's for review and feedback. Step 1 essentially acts as a preliminary assessment of a project's suitability for further consideration. Step 2 – Recommend Study Package is where projects that the Facilities Committee and Utility Director's would like to move forward for further study are brought to the Commission for approval. This step is where PS&I funds are approved to be spent for study for a potential project. Step 3 – Study Package Results is where NCPA will present the results of the study to the Facilities Committee and Utility Director's. NCPA may at this time recommend a Phase II Agreement depending on the initial findings. Step 4 – Phase II Agreement is where any Phase II agreement would be presented to the Commission for approval. The Phase II Agreement budget would include reimbursement of the PS&I funds. The funding allocation for the PS&I account will be updated annually. Unspent funds will be encumbered into the next FY budget.

Facilitates Members requested that NCPA staff add a table to the Procedure showing how funds for the PS&I account will be allocated before the procedure is brought to Commission for approval. Members also requested that staff document which steps will results in funds being spent. Due to these change requests, NCPA staff determined it would be best to bring this back

to the Facilities Committee with the requested revisions, for further review and potential approval in the April 2024 Facilities Meeting.

## **INFORMATIONAL ITEMS**

### **12. New Business Opportunities – Staff provided an update regarding new business opportunities.**

**Yuba City Strategic Reserve (SC Services) –** CDWR has inquired about NCPA supplying Scheduling Coordinator (“SC”) services for the Yuba City Strategic Reserve Project. This project consists of two 30 MW Combustion Turbines. While the project is owned by CDWR, it is currently operated and maintained by Calpine. CDWR is still in negotiations with Calpine, and since first approaching NCPA, CDWR has posted an RFP for potential re-siting/repurposing of the units, leading NCPA staff to question whether the units will remain in operation. NCPA staff will keep the Facilities Committee updated as to the status of this potential opportunity.

**City of Pasadena RFP –** Staff was approached by the City of Pasadena regarding this RFP for Power Management services including same day and day ahead scheduling and resource management, daily and intraday gas scheduling and trading, joint resource scheduling, credit services, risk management, and reporting services. This project is owned by Glenarm Power Plant, a share of Magnolia Power Plant. Responses to the RFP are due on Thursday, March 7. NCPA is undecided on whether to submit a response at this time.

**NCPA RFP for Renewable Energy Resources –** Staff re-issued the ongoing RFP for renewable/energy storage resources on February 15, 2024. Responses to the RFP are due April 12, 2024. NCPA staff have received a number of questions regarding the RFP, as well as 1 proposal for a Battery Energy storage project. After the RFP closes, NCPA staff will schedule a dedicated meeting with Members to review any proposals received.

**Grace Solar Update –** Staff is currently still engaged in active negotiations with NextEra. A draft PPA is being considered by both parties. Member interest includes Biggs, Gridley, Healdsburg, Lodi, Lompoc, Port of Oakland, Plumas-Sierra, Shasta Lake, Ukiah, and Santa Clara.

**Sunrise Energy – McCloud Solar Project –** This is a 140 MW Solar PV Project with BESS option located in NP15 at Corning, CA. Solar is energy only, with the BESS deliverability pending. Solar PV is a 25-year term with the BESS a 15-year term. Estimated COD is 2029. This project is part of Cluster 14. Phase 1 has been completed. Interconnection is through CAISO BAA with a possible BANC interconnection. This project is still available, and any Members who are interested should reach out the NCPA staff.

**RAI Energy – Wildcat Energy Farm –** This is a 100 MW Solar PV Project with a BESS option. It's located in IID and delivered to SP15. Estimated COD is 9/1/2026 with a 20-year term. Dynamic/Pseudo scheduled into CAISO BAA at SP15. This project is still available, and any Members who are interested should reach out the NCPA staff.

### **13. Proposed FY2025 Annual Budget Review – Staff provided an informational overview and summary of the agency FY2024 budget, incorporating changes and feedback from the February 14, 2024 Special Facilities Committee Meeting.**

NCPA staff outlined changes that were made since the initial FY2025 budget review. While there was an increase in costs in some areas (projects at the plants, decommissioning costs, insurance costs, benefits/salaries due to increased pension costs and potential new positions, IS software costs, increased costs associated with the DRC2 project due to additional required tenant improvements for the building), other areas saw a decrease in costs.

NCPA Staff reviewed the revised budgets for Generation Resources (including each plant individually), Power Management, Executive & Administrative Services, and Staffing, Salaries & Benefits. Facilities Members requested clarification on what was driving the increase in costs associated with the DRC2 project, and requested that these costs be discussed with the Commission in the March 28 regular meeting. Members also requested that the budget clearly reflect that the additional positions earmarked in the Power Management budget are contingent upon award of certain New Business opportunities.

The FY2025 proposed budget will be presented to the Utility Directors for review at the March Utility Director's retreat, and previewed by the Commission in the March Commission meeting. Staff will then make any final budget adjustments/revisions to allocations, and the final FY2025 budget will be presented to the Commission for approval in the April 25, 2025 meeting.

**14. Grace Solar PPA Update** – Staff shared a presentation with updates regarding the Grace Solar Project.

The Grace Solar Project is being developed by NextEra Energy Resources Development (NextEra). The total project will be 400-500 MW, 50 MW of which would be NCPA's tentative "slice". Estimated completion is December 2027. This resource is categorized as energy only, with no RA at this time.

NCPA is currently negotiating terms and conditions of the PPA. Staff reviewed some of the key terms of the PPA that is in-development. The term has a 20 year delivery period. NCPA would act as the SC, retaining CAISO revenues and charges. The seller would act as the GO/GOP, and will operate the facility.

NCPA staff presented an overview of the corresponding Third Phase Agreement which is also in-development. This agreement would be between NCPA and the Participating Members, and would be the mechanism that would enable NCPA to enter into the PPA. By executing the Third Phase Agreement, the Participating Members agree to purchase Products produced by Grace Solar under a "take-or-pay" agreement. Key provisions of the Third Phase Agreement include specifying the rights and obligations of NCPA and the Participants, product delivery based on Participants' Project Participation Percentage, each Participant agreeing to pay for their share of Project Costs, Administrative Services Costs, scheduling coordination costs, and all other related costs, establishment of Security Deposit Requirements, and establishment of rules for governance and other administrative functions.

The Third Phase Agreement is being drafted with a two-step member assignment structure, where Primary Participants (initial signatories) are identified, with subsequent assignment to other Participating Members based on an established project schedule for assignments of additional Members. It was noted that, if assignments were not completed by the deadline, amounts would be retained by the Primary Participants. Alternatively, if all interested Members are able to execute the Third Phase Agreement by the deadline established in the project schedule, the two-step member assignment structure would not be needed, and the Third Phase Agreement could be drafted with the final project participation schedule already established.

NCPA staff will begin meeting with interested Members in an effort to finalize the Participant List and establish desired Participant percentages. This information would be used to establish the Primary Participants list. NCPA hopes to bring this to the Facilities Committee and Commission for final approval in April.

**17. NCPA Generation Services Plant Updates** – Plant Staff provided the Committee an update on current plant activities and conditions.

**CTs** – CT1 had 3 starts of 2 forecasted. FYTD total is 66 starts. CT2 had 0 starts of 0 forecasted. FYTD total is 27 starts.

- **Outages**
  - **CT1 Lodi** – Available.
  - **CT1 Alameda U1/U2** – Available.
  - **CT2 STIG** – Available.
- **CT1 Lodi Run Hours**
  - YTD hours 5.43 of 200 Allowed (based on calendar year)
- **CT1 Alameda Diesel Hours**
  - U1= 5.27 hrs. of 42 (during any consecutive 12-month period)
  - U2= 3.66 hrs. of 42 (during any consecutive 12-month period)
- **Safety and Environmental**
  - No safety issues to report
  - No environmental issues to report – Alameda U1 & U2 completed the Bi-annual emissions testing with no major issues; currently awaiting final report.
- **2024 Planned Outages**
  - CT2 STIG- 4/1/24 thru 4/30/24
  - CT1 Alameda U1/U2- 5/1/24 thru 5/31/24

Staff reviewed the CAISO Commitment Runs for February 2024.

**Geo** – There was one vehicle accident in the month of January, in which an employee backing up in a company vehicle hit another car that was also backing up, causing minor damage to both vehicles. This accident took place off-site. There was also a Lesson Learned incident, in which the NCPA team used stop work authority on the Mercury Tank cleaning job and evacuated personnel from Plant 1 as a precaution due to increased Sulfur Pastilles heat levels which was causing damage to the Vac. Trk. Hose. It was discovered that the contractor cleaning the tank was using metal tools to break up the pastilles. Since sulfur dust is susceptible to ignition when dry, the use of metal tools can cause sparks. When the job resumed the following day, the contractor used a hydro blaster and plastic shovels to break up the debris with water for removal. The average net generation for the month of February was 51.1 MW. The total net generation was 35.6 GWh. CY 2024 net generation goal = 743.8 GWh. CY forecast net generation goal was 495.5 GWh. The CY actual net generation was 334.5 GWh at 32.5% below the forecast due to the recent unit outages at Geo. were shared with the Committee of the progress the Unit 2 Transformer Repairs, the Unit 1 Lube Oil Cooler cleaning, and the BOP Transmission Line Repairs. The Plant 1 Unit 1 turbine was delivered on Monday, March 4. Staff shared an update on the Plant 1, Unit 2 upgrade. While NCPA staff anticipated that some blades on the Unit 2 rotor would need replacement, once the rotor arrived off-site for a more thorough inspection, erosion was found on additional blades. Staff is currently gathering information from the vendor regarding the cost to repair these additional rotors, and intends to call a Special Facilities Committee Meeting later this month to present the Committee with options regarding these latest findings. Geothermal staff shared the January 2024 Asset Report, as well as monthly GS Metrics for the plants. The full FY2024 Asset Report will be uploaded for Committee Members to review after the meeting.

**Hydro** – During the month of February, Collierville (CV) Power House was at 100% availability and New Spicer Meadows (NMS) Power House was at 97% availability. The monthly generation profiles for CV and NMS were shared with the Committee. In February, NCPA was invited to participate in the first joint snow survey since before the COVID pandemic. Precipitation for February was good. February has started very well during the first week. Average precipitation is at 94% for the year, with the snow water content at 104% to-date. NMS just received 6.5' of snow. California is on-track for a seasonally normal range of snow/rain.

### **New Spicer Meadows Reservoir Storage**

- 2,191, acre feet increase (2%) month-over-month.
- 92,649-acre feet to 93,296-acre feet.
- Optimizing stored water – Spicer drafts at minimums.
- Initiating annual water/power optimization modeling.

The quinquennial third-party engineering audit of NCPA's Owner's Dam Safety Program ("ODSP") was recently completed. This review included an examination of NCPA's dam safety documentation, as well as interviews with NCPA staff. The third-party concluded that, "NCPA's ODSP meets or exceeds all requirements of an adequate program." The final audit report included a recommendation that NCPA increase training of dam safety staff, especially when positions are backfilled, and also emphasized the criticality of replacing the Chief Dam Safety Engineer (that position is currently vacant). The report also recommended presenting NCPA's ODSP to the Commission at some point.

### **18. Planning and Operations Update**

- Resource Integrations
  - Lodi Strategic Reserve Resource – March 2024
  - Scarlet Solar / BESS – Mid-2024
  - Proxima Solar / BESS – Mid-2024
  - Other BESS integrations
- SCPA SC Transition Activities – Updated from April 1, 2024 to May 1, 2024
- Resource Development
  - ZWEDC – negotiations complete
  - Grace Solar Project – active negotiation
  - Wildcat Solar Project – active proposal
  - Sunrise Energy – active proposal
  - NCPA has issued the refreshed Renewable RFP – Responses are due April 12, 2024
- Ongoing daily operational activities

**19. Next Meeting** – The next regular Facilities Committee meeting is scheduled for April 3, 2024.

### **ADJOURNMENT**

The meeting was adjourned at 12:42 pm by the Committee Chair.

**Northern California Power Agency  
March 6, 2024 Facilities Committee Meeting  
Attendance List**

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

<u>MEMBER</u>	<u>NAME</u>
ALAMEDA	Alan Harbottle
BART	
BIGGS	Josh Cook, Bo Shepard
GRIDLEY	Elisa Arteaga
HEALDSBURG	
LODI	Jiayo Chiang - In Person
LOMPOC	Brad Wilkie (left @ 10:31am)
PALO ALTO	Shiva Swaminathan
PLUMAS-SIERRA REC	
PORT OF OAKLAND	Nathon Tang
REDDING	Kamryn Hutson
ROSEVILLE	Brian Schinstock
SANTA CLARA	Basil Wong
SHASTA LAKE	
TID	Peter Lorenz - non voting Rep
UKIAH	Cindy Savers



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

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Roseville, CA 95678

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# Minutes

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**To:** NCPA Facilities Committee

**From:** Carrie Pollo

**Subject:** March 19, 2024 Special Facilities Committee Meeting Minutes

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- 1. Call meeting to order & Roll Call** – The meeting was called to order by Committee Vice Chair Nick Rossow (Redding) at 1:36 pm. Attending via teleconference and on-line presentation were Alan Harbottle, Chris Ferrara, and Ben Rings (Alameda), Elisa Arteaga (Gridley), Terry Crowley (Healdsburg), Jiayo Chiang (Lodi), Brad Wilkie (Lompoc), Nathan Tan (Port of Oakland), and Basil Wong and Monica Nguyen (Santa Clara). Peter Lorenz (non-voting Representative with TID) also attended via teleconference and on-line presentation. Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Biggs, Palo Alto, Plumas-Sierra, and Shasta Lake, TID, and Ukiah were absent. A quorum of the Committee was established.

## **PUBLIC FORUM**

No public comment.

## **DISCUSSION/ACTION ITEMS**

- 2. NCPA Geothermal Facility – Second Amendment to Geothermal Plant 1, Unit 1 Steam Strainer Damage Project** – Staff provided background information and was seeking a recommendation for Commission approval of Second Amendment to Resolution 23-49 authorizing additional funds of \$250,000 for the Geothermal Plant 1, Unit 1 Steam Strainer Damage Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for a revised total not to exceed amount of \$5,750,000, to be funded from the cancelled Intertie Switch Project in the FY24 budget.

On March 1, 2023, NCPA's Geothermal Plant 1, Unit 1 was taken offline for routine seasonal Stretford maintenance. During the course of inspections conducted by NCPA staff, steam strainer failures were found which caused strainer material to enter the steam turbine. NCPA hired Reliable Turbine Services, LLC (RTS) to perform a Steam Path Inspection. RTS removed the upper turbine case and found screen material throughout the turbine rotor and casing diaphragms. RTS completed their inspection of the turbine rotor and found that there was impact damage from the strainer material primarily to the first three stages of the turbine, as well as extensive erosion and wear on the remaining four stages of the turbine. RTS recommended replacement of the blades.

The Geothermal Plant 1, Unit 1 Steam Strainer Damage Project was originally approved by the Commission on May 25, 2023 for an amount not to exceed \$2,500,000. This original approval included \$1,073,465 in contingency funds.

On October 6, 2023, the Commission approved an Amendment to the Geothermal Plant 1, Unit 1 Steam Strainer Project, increasing the budget by \$3,000,000, for an updated total not to exceed of \$5,500,000. While NCPA is on-track to complete the work and return the unit to service on March 21, 2024, due to additional field work on the seals and diaphragm adjustments, the remaining balance of the contingency funds is running low. NCPA would like to increase the contingency by an additional \$250,000 to account for any unexpected findings during the final turbine assembly.

**Motion:** A motion was made by Brad Wilkie and seconded by Brian Schinstock recommending Commission approval authorizing additional funds of \$250,000 for the Geothermal Plant 1, Unit 1 Steam Strainer Damage Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for a revised total not to exceed amount of \$5,750,000, to be funded from the cancelled Intertie Switch Project in the FY24 budget. A vote was taken by roll call: YES = Alameda, Gridley, Healdsburg, Lodi, Lompoc, Roseville, and Santa Clara. ABSTAIN = Port of Oakland and Redding. The motion passed.

➤ Josh Cook (Biggs) joined the call prior to the discussion of item 3.

### **3. NCPA Geothermal Facility – First Amendment to Geothermal Plant 1, Unit 2 Turbine**

**Overhaul Project** – Staff provided background information and was seeking a recommendation for Commission approval of the First Amendment to Resolution 24-02 for the Geothermal Plant 1, Unit 2 Turbine Overhaul Project: 1) authorizing additional funding and a budget augmentation of \$2,200,000 for a revised total not to exceed amount of \$9,400,000; 2) delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission; and 3) authorizing the use of \$2,200,000 from the Maintenance Reserve to be replenished by Project Participants over a ten-year period in Fiscal Years 2025 - 2034 through the annual budget process.

In December 2023, during a planned transmission line outage scheduled by Pacific Gas and Electric (PG&E), NCPA hired Reliable Turbine Services, LLC (RTS) to perform a nondestructive visual inspection on the Plant 1, Unit 2 turbine rotor L-0 blades. The visual inspection revealed significant wear on the L-0 blades, and RTS recommended that the L-0 blades be replaced. The Geothermal Plant 1, Unit 2 Turbine Overhaul Project was originally approved by the Commission on January 5, 2024 (Resolution 24-02) for an amount not to exceed \$7,200,000.

The Scope of Work for the original proposed Plant 1, Unit 2 Overhaul included the following:

- Turbine Overhaul and Generator Testing
- Transportation and Insurance
- Unit 2 GSU Transformer Overhaul
- Balance of Plant Work
- Lakeville 230kV Line Repairs

As detailed in the original Scope of Work, the Unit 2 turbine rotor and diaphragms were sent off-site to the RTS shop in Sullivan, MO, where the vendor performed the casing assessment along with a full turbine rotor/diaphragm inspection. These inspections revealed that additional refurbishments are needed on the casing and turbine rotor/diaphragm. In addition, NCPA has

identified that the main stop valves will need to have additional maintenance performed. None of this additional work was included in the original base scope.

**Motion:** A motion was made by Josh Cook and seconded by Basil Wong recommending Commission approval: 1) authorizing additional funding and a budget augmentation of \$2,200,000 for a revised total not to exceed amount of \$9,400,000; 2) delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission; and 3) authorizing the use of \$2,200,000 from the Maintenance Reserve to be replenished by Project Participants over a ten-year period in Fiscal Years 2025 - 2034 through the annual budget process. A vote was taken by roll call: YES = Alameda, Biggs, Gridley Healdsburg, Lodi, Lompoc, Roseville, and Santa Clara. ABSTAIN = Port of Oakland and Redding. The motion passed.

### **ADJOURNMENT**

The meeting was adjourned at 2:47 pm by the Committee Vice Chair.

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

[illegible]

**Northern California Power Agency  
March 19, 2024 Special Facilities Committee Meeting  
Attendance List**

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

<b><u>MEMBER</u></b>	<b><u>NAME</u></b>
<b>ALAMEDA</b>	
<b>BART</b>	
<b>BIGGS</b>	
<b>GRIDLEY</b>	
<b>HEALDSBURG</b>	
<b>LODI</b>	
<b>LOMPOC</b>	
<b>PALO ALTO</b>	
<b>PLUMAS-SIERRA REC</b>	
<b>PORT OF OAKLAND</b>	
<b>REDDING</b>	
<b>ROSEVILLE</b>	
<b>SANTA CLARA</b>	
<b>SHASTA LAKE</b>	
<b>TID</b>	
<b>UKIAH</b>	



# Commission Staff Report – *DRAFT*

**COMMISSION MEETING DATE:** April 25, 2024

**SUBJECT:** Allied Power Group, LLC – Five Year Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies for Inspection and Maintenance Related Services and Materials; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Michael DeBortoli	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	N/A
<b>Division:</b>	Generation Services	<i>If other, please describe:</i>
<b>Department:</b>	Combustion Turbines	

<b>IMPACTED MEMBERS:</b>		
All Members	<input checked="" type="checkbox"/>	City of Lodi <input type="checkbox"/> City of Shasta Lake <input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc <input type="checkbox"/> City of Ukiah <input type="checkbox"/>
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto <input type="checkbox"/> Plumas-Sierra REC <input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding <input type="checkbox"/> Port of Oakland <input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville <input type="checkbox"/> Truckee Donner PUD <input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara <input type="checkbox"/> Other <input type="checkbox"/>
<i>If other, please specify</i>		
<hr/>		
<hr/>		



## **RECOMMENDATION:**

Approve Resolution 24-XX authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies with Allied Power Group, LLC for inspection and maintenance related services and materials, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$2,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members.

## **BACKGROUND:**

Various inspection and maintenance related services and materials are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members. NCPA has utilized this vendor in the past, and has a good working relationship with this vendor. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future purchases. NCPA has an agreement in place for similar services with Sulzer Turbo Services Houston.

## **FISCAL IMPACT:**

Upon execution, the total cost of the agreement is not to exceed \$2,000,000 over five years. 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 needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from qualified providers as required. Bids are awarded to the vendor providing the best overall value to NCPA. 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 of the California Environmental Quality Act. No environmental review is necessary.

## **COMMITTEE REVIEW:**

Pending Committee review and approval.

**AFTER FACILITIES APPROVAL:** On April 3, 2024 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

**AFTER LEC PPC APPROVAL:** On April 8, 2024 the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

Respectfully submitted,

RANDY S. HOWARD  
General Manager

Attachments (2):

- Resolution 24-XX
- Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies with Allied Power Group, LLC

## RESOLUTION 24-XX

### RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A MULTI-TASK GENERAL SERVICES AGREEMENT AND AGREEMENT FOR PURCHASE OF EQUIPMENT, MATERIALS AND SUPPLIES WITH ALLIED POWER GROUP, LLC

(reference Staff Report XXX:24)

WHEREAS, various inspection and maintenance related services and materials are required from time to time for the operation and maintenance of facilities owned and/or operated by the Northern California Power Agency (NCPA), NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, Allied Power Group, LLC is a provider of these services; and

WHEREAS, the NCPA Commission has reviewed the Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies with Allied Power Group, LLC to provide such services and materials as needed at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and 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 said Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies, with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$2,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2024 by the following vote on roll call:

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

\_\_\_\_\_  
JERRY SERVENTI  
CHAIR

ATTEST:

\_\_\_\_\_  
CARRIE POLLO  
ASSISTANT SECRETARY



**MULTI-TASK  
GENERAL SERVICES AGREEMENT AND AGREEMENT FOR PURCHASE OF  
EQUIPMENT, MATERIALS AND SUPPLIES BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
ALLIED POWER GROUP, LLC**

This agreement for general services and purchase of equipment, materials, and supplies ("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 Allied Power Group, LLC, a LLC, with its office located at 10131 Mills Road, Houston, TX 77070 ("Contractor") (together sometimes referred to as the "Parties") as of \_\_\_\_\_, 2024 ("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 equipment, materials, and supplies ("Goods") described in the Scope of Work attached hereto as Exhibit A and incorporated herein (both services and Goods collectively referred to as "Work" herein). Contractor shall be responsible at its sole expense for delivering the Goods, as further specified herein, to the specified Project Site, DDP, and title shall not pass until the Agency accepts delivery at the Site. In the event of a conflict or inconsistency between the terms of this Agreement and Exhibit A, this Agreement shall prevail.

- 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 or 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** TWO MILLION dollars (\$2,000,000.00) 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.**

For Services: 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.

For Goods: Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for Goods delivered prior to the invoice date. Contractor shall include the number of the Purchase Order which authorized the Goods for which Contractor is seeking payment.

All invoices shall be sent to:

Northern California Power Agency  
651 Commerce Drive  
Roseville, California 95678  
Attn: Accounts Payable  
[AcctsPayable@ncpa.com](mailto:AcctsPayable@ncpa.com)

- 2.2 Monthly Payment.** Agency shall make payments, based on invoices received, for Work satisfactorily performed and for authorized reimbursable costs incurred, or for delivery of the Goods, per the delivery terms of this Agreement. 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 \$2,000,000 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 \$2,000,000 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.** Intentionally left blank.

**4.4 Pollution Insurance.** Intentionally left blank.

**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 4.5, 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, Contractor shall provide the certificates of insurance and policy endorsements, as referenced in Section 4.5.1 and 4.5.5, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.



**4.5.5 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. In addition, 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.

**4.6 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 provide a certified copy of its payroll, on forms to be determined by the Agency and consistent with the Labor Code, within ten (10) days of the Contractor's receipt of Agency's written request therefor. Contractor's failure to timely comply with this provision may subject the Contractor to penalties pursuant to state law.

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 \$200.00 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 both of 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.

Without limiting the generality of the foregoing, and in addition to any and all warranties provided or implied by law or public policy, or any other warranties provided by Contractor, Contractor warrants that all Goods are free from defects in design and workmanship; comply with applicable federal, state and local laws and regulations; are new, of good quality and workmanship, and free from defects; are suitably safe and sufficient for the purpose for which they are normally used; and are not subject to any liens or encumbrances. Contractor shall provide all Goods in accordance with all applicable engineering, construction and other codes and standards, in accordance with prudent electrical utility standards, and in accordance with the terms of this Agreement applicable to such Goods, all with the degree of high quality and workmanship expected from purveyors engaged in the practice of providing materials and supplies of a similar nature.

- 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. In the event of a defect, Agency shall provide clear access to the Work at the installation site; provided, however, that Contractor shall be

responsible for any cost related to uncovering, disassembly or reassembly of parts or hardware required for Contractor to perform its warranty obligations.

- 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 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 the Assistant General Manager, Generation Services, 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:

Allied Power Group, LLC  
Attention: Jeremy Clifton, Director of Business Development  
10131 Mills Road  
Houston, TX 77070

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:

Jane E. Luckhardt  
General Counsel  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

- 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, a Purchase Order, or Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Contractor's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Contractor's Proposal, the Purchase Order 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.

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

NORTHERN CALIFORNIA POWER AGENCY

ALLIED POWER GROUP, LLC

Date\_\_\_\_\_

Date\_\_\_\_\_

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

\_\_\_\_\_  
**JIM MASSO,**  
CEO

Attest:

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

Approved as to Form:

\_\_\_\_\_  
Jane E. Luckhardt, General Counsel

**EXHIBIT A**  
**SCOPE OF WORK**

Allied Power Group, LLC ("Contractor") shall provide inspection and maintenance services/materials as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, NCPA Members, Southern California Public Power Authority (SCPPA) or SCPPA members.

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

- Compressor inspections
- Combustion inspections (CI)
- Hot gas path inspection (HGP)
- Steam Turbines inspections
- Major turbine inspections
- Process pumps and compressors
- Turbine overhaul and valve maintenance
- Field machining and Millwright services
- Propose resource requirements for maintenance outages
- Crane support services
- Project management, turbine tooling kits, and transportation of all equipment
- Provide engineering and senior technical advisors and support packages as required.  
(This does not include engineering that would require stamped drawings)

No project under this Agreement shall include Work that would qualify as a Public Works Project under the California Public Contract Code.

## **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:



## Time and Material Rate Sheet

### 2024 APG NCPA Lodi Gas Turbine Union Labor Rate Schedule

#### Labor Rates

JOB CLASSIFICATION	ST Days	OT Days	DT Days
Project Manager	\$235.00	\$350.00	\$350.00
Technical Advisor	\$200.00	\$300.00	\$300.00
Safety Coordinator	\$195.00	\$251.00	\$307.00
Supervisor	\$130.00	\$195.00	\$195.00
Millwright	\$195.00	\$251.00	\$307.00
Specialty Technician	\$200.00	\$298.00	\$298.00

#### Tooling and Rentals

EQUIPMENT	DAILY	CONSUMABLES	FREIGHT
Major Set (Steam/Gas)	\$1,500	\$300/day	Cost +20%
HGP Tool Set	\$1,250	\$250/day	
CI Tool Set/Minor	\$1,000	\$200/day	
Generator Tool Set	\$1,000	\$250/day	
Company Truck	\$ 250	Fuel cost +20%	

#### NOTES

1. Straight time shall be eight (8) hours per day, Monday through Friday except on federal holidays. Hours in excess of eight (8) hours per day and all hours on Saturday shall be billed at Overtime rates. Hours on Sundays and federal holidays shall be billed at Double time rates.
2. Minimum billable hours Monday – Friday are 8-hrs/day not including federal holidays. Stand by time will be billed at a minimum of 8 hours straight time for holidays and weekends if employees are expected to be available for call in.
3. Travel time will be billed at the straight time rate for all non-local resources.
4. Per Diem will be billed at applicable GSA rate for non-local resources and will be charged every day, including travel days until the individual is released from the job site.
5. All other travel expenses, purchased materials, subcontracted services, and shipping shall be charged at cost + 20%.
6. Personal auto usage will be billed at the current IRS Mileage Rate for that particular year.
7. Tool rental charges start when the tools are offloaded at site and apply until tools are shipped from site.
8. Consumable charges will be billed for each day labor is billed to project.
9. Subcontracted services and engineered parts will be quoted on a case-by-case basis.
10. Night shift differential and other craft labor rates to be provided upon request.

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

Contractor may revise the hourly rates upon 30 days' advance written notice to NCPA. If the Parties cannot agree on revised rates, NCPA may terminate the Agreement.

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,

---

(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

Allied Power Group, LLC

(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.

**NOT APPLICABLE - EXHIBIT D**

**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 \_\_\_\_\_

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

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



# Commission Staff Report – *DRAFT*

**COMMISSION MEETING DATE:** April 25, 2024

**SUBJECT:** Cornerstone Land Services, LLC – First Amendment to Five-Year Multi-Task General Services Agreement for Vegetation Management Related Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Michael DeBortoli	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	N/A
Division:	Generation Services	<i>If other, please describe:</i>
Department:	Hydroelectric	

<b>IMPACTED MEMBERS:</b>		
All Members	<input checked="" type="checkbox"/>	City of Lodi <input type="checkbox"/> City of Shasta Lake <input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc <input type="checkbox"/> City of Ukiah <input type="checkbox"/>
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto <input type="checkbox"/> Plumas-Sierra REC <input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding <input type="checkbox"/> Port of Oakland <input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville <input type="checkbox"/> Truckee Donner PUD <input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara <input type="checkbox"/> Other <input type="checkbox"/>
<i>If other, please specify</i>		
<hr/>		
<hr/>		

## **RECOMMENDATION:**

Approve Resolution 24-XX authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Cornerstone Land Services, LLC for vegetation management related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not-to-exceed \$200,000 to \$1,000,000, with no change to the contract term, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

## **BACKGROUND:**

Vegetation management related services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. NCPA entered into a Five-Year Multi-Task General Services Agreement with Cornerstone Land Services, LLC, effective June 20, 2023, for an amount not-to-exceed \$200,000, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

This agreement was used by the Hydroelectric Facility during the snow removal and vegetation clean up after the winter storms in 2023. NCPA now desires to enter into a First Amendment to the current Multi-Task General Services Agreement, increase the not-to-exceed amount from \$200,000 to \$1,000,000 to ensure sufficient funds are available for the remainder of the contract term. This agreement will continue to be available for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

NCPA has agreements in place for similar services with High Sierra Timber Management, LLC, Kimberly Fields, and Nate's Tree Service.

## **FISCAL IMPACT:**

Upon execution, the total not to exceed of the agreement will increase from \$200,000 to \$1,000,000 over the remainder of the contract term. 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 needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from qualified providers as required. Bids are awarded to the vendor providing the best overall value to NCPA. 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:**

Pending Committee review.

**AFTER FACILITIES APPROVAL:** On April 3, 2024, the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

**AFTER LEC PPC APPROVAL:** On April 8, 2024, the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

Respectfully submitted,

RANDY S. HOWARD  
General Manager

Attachments (3):

- Resolution XX-XX
- Multi-Task General Services Agreement with Cornerstone Land Services, LLC
- First Amendment to Multi-Task General Services Agreement with Cornerstone Land Services, LLC



## RESOLUTION 24-XX

### RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A FIRST AMENDMENT TO THE MULTI-TASK GENERAL SERVICES AGREEMENT WITH CORNERSTONE LAND SERVICES, LLC

(reference Staff Report #XXX:24)

WHEREAS, various vegetation management related services are required from time to time for the operation and maintenance of facilities owned and/or operated by the Northern California Power Agency (NCPA), NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, effective June 30, 2023, NCPA entered into a Multi-Task General Services Agreement with Cornerstone Land Services, LLC to provide these services for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members; and

WHEREAS, the agreement was used by the Hydroelectric Facility during the 2023 winter storm clean up and this agreement is now running low on funds; and

WHEREAS, NCPA now desires to enter into a First Amendment to the current Multi-Task General Services Agreement to increase the not to exceed amount from \$200,000 to \$1,000,000 to ensure sufficient funds are available for the remainder of the contract term; 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 General Services Agreement, with any non-substantial changes as approved by the NCPA General Counsel, increasing the not to exceed amount from \$200,000 to \$1,000,000, with no change to the contract term, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2024 by the following vote on roll call:

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

\_\_\_\_\_  
JERRY SERVENTI  
CHAIR

ATTEST:

\_\_\_\_\_  
CARRIE POLLO  
ASSISTANT SECRETARY



**MULTI-TASK  
GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
CORNERSTONE LAND SERVICES, LLC**

This Multi-Task General Services Agreement ("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 Cornerstone Land Services, LLC, a Partnership with its office located at 5351 Cosumnes Mine Road, Somerset, CA 95684 ("Contractor") (together sometimes referred to as the "Parties") as of June 20, 2023 ("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 TWO HUNDRED THOUSAND** dollars (\$200,000.00) 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  
[AcctsPayable@ncpa.com](mailto:AcctsPayable@ncpa.com)

**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 \$2,000,000 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 \$2,000,000 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.** Not Applicable.
- 4.4     Pollution Insurance.** Not Applicable.
- 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, Contractor shall provide the certificates of insurance and policy endorsements, as referenced in Section 4.5.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.
- 4.5.5   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. In addition, 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.
- 4.6     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 provide a certified copy of its payroll, on forms to be determined by the Agency and consistent with the Labor Code, within ten (10) days of the Contractor's receipt of Agency's written request therefor. Contractor's failure to timely comply with this provision may subject the Contractor to penalties pursuant to state law.

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 \$200.00 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 both of 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** 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 the, Assistant General Manager, Generation Services 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:

Evan Vaughan  
Owner/Operator  
Cornerstone Land Services, LLC  
5351 Cosumnes Mine Road  
Somerset, CA 95684[CONTRACTOR'S NAME, ADDRESS]

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:

Jane E. Luckhardt  
General Counsel  
Northern California Power Agency  
651 Commerce Drive

Roseville, CA 95678

- 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, a Purchase Order, or Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Contractor's Proposal, the Exhibits



shall control. In the case of any conflict between the terms of a Purchase Order and the Contractor's Proposal, the Purchase Order 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.

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

NORTHERN CALIFORNIA POWER AGENCY

CORNERSTONE LAND SERVICES, LLC

Date Jun 20, 2023

Date Jun 20, 2023

  
Randy S Howard (Jun 20, 2023 15:23 PDT)

**RANDY S. HOWARD**  
General Manager

  
Evan Vaughan (Jun 20, 2023 10:27 PDT)

**EVAN VAUGHAN**  
Owner/Operator

Attest:

  
Trisha Zimmer (Jun 20, 2023 16:21 PDT)

Assistant Secretary of the Commission

Approved as to Form:

  
Jane E. Luckhardt, General Counsel

## **EXHIBIT A**

### **SCOPE OF WORK**

Cornerstone Land Services, LLC ("Contractor") shall provide machining services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCAPPA) or SCPPA Members.

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

- Compact tractor work (trenching, grading etc.)
- Tree climbing, trimming, and removals
- Land clearing
- Vegetation management
- Debris removal
- Snow Removal

No project under this Agreement shall include Work that would qualify as a Public Works Project under the California Public Contract Code.

## 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:

#### Cornerstone Land Services Equipment Rate Sheet (per 8 hour day)

Equipment	Rate
Deere 26G Mini Excavator	\$450
Deere 317G Tracked Skid w/Grapple Rake	\$700
Dosko 6" Chipper	\$400
Deere 3025e Wheeled Tractor	\$350
Operator	\$800
Arborist (Tree Climber)	\$1,000
14' Dump Trailer (14k rating)	\$200
20' Equipment Trailer (20k rating)	\$200
Stihl 661 Chainsaw	\$30
Stihl 362 Chainsaw (x2)	\$25

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

Contractor shall provide NCPA with 30 days' advance written notice of all rate changes. Regardless of any rate or pricelist revisions, total compensation shall not exceed the amount set forth in Section 2, Compensation, of this Agreement.

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, Evan Vaughan

(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

Cornerstone Land Services, LLC

(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.

  
Evan Vaughan (Jun 20, 2023 10:27 PDT)

(Signature of officer or agent)

Dated this 20 day of June, 20 23.

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 established 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)






# Cornerstone\_Land\_Services\_LLC\_MTGSA\_2023

Final Audit Report

2023-06-20

Created:	2023-06-20
By:	Melissa Conrad (melissa.conrad@ncpa.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAzIryJJNnuY6r_33AylqB5F9KLvILjhsE

## "Cornerstone\_Land\_Services\_LLC\_MTGSA\_2023" History

-  Document created by Melissa Conrad (melissa.conrad@ncpa.com)  
2023-06-20 - 5:06:43 PM GMT- IP address: 66.60.185.198
-  Document emailed to Evan Vaughan (cornerlandservicesllc@gmail.com) for signature  
2023-06-20 - 5:10:57 PM GMT
-  Email viewed by Evan Vaughan (cornerlandservicesllc@gmail.com)  
2023-06-20 - 5:26:24 PM GMT- IP address: 74.125.209.54
-  Document e-signed by Evan Vaughan (cornerlandservicesllc@gmail.com)  
Signature Date: 2023-06-20 - 5:27:45 PM GMT - Time Source: server- IP address: 166.205.87.19
-  Agreement completed.  
2023-06-20 - 5:27:45 PM GMT







# Cornerstone Land Service LLC MTGSA and CAF

Final Audit Report

2023-06-20

Created:	2023-06-20
By:	Trisha Zimmer (trisha.zimmer@ncpa.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAopw9g9ulF_tuFwnH1IldIWUVIz5ArvKL

## "Cornerstone Land Service LLC MTGSA and CAF" History

-  Document created by Trisha Zimmer (trisha.zimmer@ncpa.com)  
2023-06-20 - 9:50:43 PM GMT
-  Document emailed to randy.howard@ncpa.com for signature  
2023-06-20 - 9:52:03 PM GMT
-  Email viewed by randy.howard@ncpa.com  
2023-06-20 - 10:01:41 PM GMT
-  Signer randy.howard@ncpa.com entered name at signing as Randy S Howard  
2023-06-20 - 10:23:23 PM GMT
-  Document e-signed by Randy S Howard (randy.howard@ncpa.com)  
Signature Date: 2023-06-20 - 10:23:25 PM GMT - Time Source: server
-  Agreement completed.  
2023-06-20 - 10:23:25 PM GMT





**FIRST AMENDMENT TO MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND CORNERSTONE LAND SERVICES,  
LLC**

This First Amendment (“Amendment”) to Multi-Task General Services Agreement is entered into by and between the Northern California Power Agency (“Agency”) and Cornerstone Land Services, LLC (“Contractor”) (collectively referred to as “the Parties”) as of \_\_\_\_\_, 2024.

WHEREAS, the Agency and Cornerstone Land Services, LLC entered into a Multi-Task General Services Agreement dated effective June 20, 2023, (the “Agreement”) for Contractor to provide vegetation and road maintenance related services for the Agency, Agency Members, the 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 \$200,000.00 to a NOT TO EXCEED amount of \$1,000,000.00; 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 2—Compensation** of the Agreement is amended and restated to read as follows:

Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED ONE MILLION** dollars (\$1,000,000.00) 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.

The remainder of Section 2 of the Agreement is unchanged.

///

///

///

2. This Amendment in no way alters the terms and conditions of the Agreement except as specifically set forth herein.

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

NORTHERN CALIFORNIA POWER AGENCY

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

CORNERSTONE LAND SERVICES, LLC

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

\_\_\_\_\_  
**EVAN VAUGHAN,**  
**Owner/Operator**

Attest:

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

Approved as to Form:

\_\_\_\_\_  
Jane E. Luckhardt, General Counsel



# Commission Staff Report – *DRAFT*

**COMMISSION MEETING DATE:** April 25, 2024

**SUBJECT:** Mountaineering Engineering Corp – Five-Year Multi-Task Professional Services Agreement for On-site Maintenance Contractor Oversight and Related Engineering Inspection Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Michael DeBortoli	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	N/A
<b>Division:</b>	Generation Services	<i>If other, please describe:</i>
<b>Department:</b>	Combustion Turbines	

<b>IMPACTED MEMBERS:</b>		
All Members	<input checked="" type="checkbox"/>	
Alameda Municipal Power	<input type="checkbox"/>	
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	
City of Biggs	<input type="checkbox"/>	
City of Gridley	<input type="checkbox"/>	
City of Healdsburg	<input type="checkbox"/>	
City of Lodi	<input type="checkbox"/>	
City of Lompoc	<input type="checkbox"/>	
City of Palo Alto	<input type="checkbox"/>	
City of Redding	<input type="checkbox"/>	
City of Roseville	<input type="checkbox"/>	
City of Santa Clara	<input type="checkbox"/>	
City of Shasta Lake	<input type="checkbox"/>	
City of Ukiah	<input type="checkbox"/>	
Plumas-Sierra REC	<input type="checkbox"/>	
Port of Oakland	<input type="checkbox"/>	
Truckee Donner PUD	<input type="checkbox"/>	
Other	<input type="checkbox"/>	
<i>If other, please specify</i>		
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## **RECOMMENDATION:**

Approve Resolution 24-XX authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Mountaineering Engineering Corp for on-site maintenance contractor oversight and related engineering inspection services, 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 any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members.

## **BACKGROUND:**

Various project support related on-site maintenance contractor oversight and related engineering inspection services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members. Mountaineering Engineering Corp is a new vendor for NCPA. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects. Additionally, adding this vendor will increase the pool of qualified vendors for these types of services.

NCPA has agreements in place for similar services with AECOM Technical Services, Condor Earth, GEI Consultants, Inc., HDR Engineering, and Mead & Hunt, Inc.

## **FISCAL IMPACT:**

Upon execution, the total cost of the agreement is not to exceed \$500,000 over five years. 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 needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from qualified providers as required. Bids are awarded to the vendor providing the best overall value to NCPA. 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 of the California Environmental Quality Act. No environmental review is necessary.

## **COMMITTEE REVIEW:**

Pending Committee review and approval.

**AFTER FACILITIES APPROVAL:** On April 3, 2024, the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

AFTER LEC PPC APPROVAL: On April 8, 2024, the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

Respectfully submitted,

RANDY S. HOWARD  
General Manager

Attachments (2):

- Resolution 24-XX
- Multi-Task Professional Services Agreement with Mountaineering Engineering Corp

**RESOLUTION 24-XX**

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING A MULTI-TASK GENERAL SERVICES AGREEMENT WITH  
MOUNTAINEERING ENGINEERING CORP**

**(reference Staff Report XXX:24)**

WHEREAS, various on-site maintenance contractor oversight and related engineering inspection services are required from time to time for the operation and maintenance of facilities owned and/or operated by the Northern California Power Agency (NCPA), NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, Mountaineering Engineering Corp is a provider of these services; and

WHEREAS, the NCPA Commission has reviewed the Multi-Task Professional Services Agreement with Mountain Engineering Corp to provide such services as needed at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and 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 said Multi-Task Professional Services Agreement, with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2024 by the following vote on roll call:

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

\_\_\_\_\_  
JERRY SERVENTI  
CHAIR

ATTEST:

\_\_\_\_\_  
CARRIE POLLO  
ASSISTANT SECRETARY



## MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND MOUNTAINEERING ENGINEERING CORP

This Professional Services Agreement ("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 Mountaineering Engineering Corp, a S Corporation with its office located at 1397 Greenhaven Drive, Oakdale, CA 95361 ("Consultant") (together sometimes referred to as the "Parties") as of \_\_\_\_\_, 2024 ("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 Services 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 FIVE HUNDRED THOUSAND** dollars (\$500,000.00) 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  
[AcctsPayable@ncpa.com](mailto:AcctsPayable@ncpa.com)

**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 \$2,000,000 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 \$2,000,000 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) 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 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 and, if requested by Agency, provide evidence of coverage during this period.

**4.4 All Policies Requirements.**

**4.4.1 Verification of coverage.** Prior to beginning any work under this Agreement, Consultant 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, Consultant shall provide certificates of insurance and 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.

**4.4.5 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. In addition, 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.

**4.5 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 to the extent that the claims 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 to the extent that they 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.

## **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 are 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 the 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:

Michael Nessler, President  
Mountaineering Engineering Corp  
1397 Greenhaven Drive  
Oakdale, CA 95361

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:

Jane E. Luckhardt  
General Counsel  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

**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, a Purchase Order, or Consultant's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Consultant's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Consultant's Proposal, the Purchase Order 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.

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

NORTHERN CALIFORNIA POWER AGENCY

MOUNTAINEERING ENGINEERING CORP

Date\_\_\_\_\_

Date\_\_\_\_\_

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

\_\_\_\_\_  
**MICHAEL NESSL, PE, CCM**  
**President**

Attest:

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

Approved as to Form:

\_\_\_\_\_  
Jane E. Luckhardt, General Counsel

## **EXHIBIT A**

### **SCOPE OF SERVICES**

Mountaineering Engineering Corp (“Consultant”) shall provide on-site maintenance contractor oversight and engineering inspection related services as requested by Northern California Power Agency (“Agency”) at any facilities owned or operated by Agency, NCPA Members, Southern California Public Power Authority (SCPPA), or SCPPA Members.

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

- Maintenance Project Manager;
- Maintenance Inspection;
- Engineering Services During Maintenance Projects;
- Startup Testing Coordinator;
- Water and Wastewater Treatment Engineering

No project under this Agreement shall include Work that would qualify as a Public Works Project under the California Public Contract Code.

## 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 of the Agreement. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

#### 2024 HOURLY LABOR RATES

Principal Engineer	\$195.00
Project Manager	\$185.00
Resident Engineer/Construction Manager	\$185.00
Project Engineer/Design Engineer	\$175.00
Office Engineer/Construction Administration	\$155.00
Field Engineer/Construction QA Inspector	\$155.00
Drafting Designer	\$135.00
Sample Collection	\$105.00
Certified Operator	\$105.00
Administration	\$95.00

#### REIMBURSABLE EXPENSE RATES\*

	Units	Cost
<u>Travel</u>		
Mileage (Per Mile)	Mile	\$0.66
Airfare, Auto Rental, Hotel		At Cost
Misc. Travel (Parking, tax, tolls, meals, etc.)		At Cost
Per Diem (Contract Rate)	DAY	Contract Rate
<u>Reproduction</u>		At Cost
<u>Shipping (FedEx, UPS, Courier, etc.)</u>		At Cost
<u>Lab Testing</u>		At Cost

*\*Note: All reimbursable expenses will be invoiced at the above rates + 15%*

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

Upon 30 days advance notice and no more than once each calendar year, Mountaineering Engineering Corp may increase rates for new Purchase Orders. If NCPA does not accept the increased rates, NCPA may terminate this Agreement.

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

\_\_\_\_\_  
Mountaineering Engineering Corp

(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.



# Commission Staff Report

**COMMISSION MEETING DATE:** April 25, 2024

**SUBJECT:** Approval of Northern California Power Agency's Cyber Insurance Liability Program Renewal for May 2024 to May 2025.

**AGENDA CATEGORY:** Discussion/Action

**FROM:** Monty Hanks

Assistant General  
Manager/CFO

**METHOD OF SELECTION:**

Competitive Pricing Process

**Division:** Administrative Services

*If other, please describe:*

**Department:** Risk Management

## IMPACTED MEMBERS:

**All Members** ☒

**City of Lodi** ☐

**City of Shasta Lake** ☐

**Alameda Municipal Power** ☐

**City of Lompoc** ☐

**City of Ukiah** ☐

**San Francisco Bay Area  
Rapid Transit** ☐

**City of Palo Alto** ☐

**Plumas-Sierra REC** ☐

**City of Biggs** ☐

**City of Redding** ☐

**Port of Oakland** ☐

**City of Gridley** ☐

**City of Roseville** ☐

**Truckee Donner PUD** ☐

**City of Healdsburg** ☐

**City of Santa Clara** ☐

**Other** ☐

*If other, please specify*

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## RECOMMENDATION:

Approve Resolution 24-XX authorizing the General Manager or his designee to negotiate and bind the Cyber Liability Insurance program for the term starting May 1, 2024, and ending May 1, 2025, at a not-to-exceed premium of \$265,000 for the Northern California Power Agency, which includes the Lodi Energy Center.

## BACKGROUND:

Alliant Insurance Services has aggressively marketed the Cyber Security Insurance Program to ensure best-in-class pricing, terms, and conditions. Earlier in the year, the Insurance Markets indicated that insurers were seeing 15 to 25 percent year-over-year increases; these increases were later confirmed during market solicitation meetings with Alliant in December of 2023. The IS team was instrumental in completing the insurer's detailed application and questionnaire, and this effort substantially improved pricing. Alliant estimates that the 2024 renewal premium will remain flat for the next policy period. Staff recommends a not-to-exceed of \$265,000 to provide sufficient headroom for the General Manager to bind coverage.

## Coverage Details

Below are the provided coverages deemed as critical coverage areas to limit the Agency's risk exposure:

**Business Interruption and Extra Expense** –responds to a loss of income and operating expenses when business operations are interrupted or suspended due to a network security failure.

**Data Recovery** –responds to a loss of digital information assets, including customer databases resulting from a network security failure.

**Cyber Extortion** –reimburses for payments made to settle network security-related extortion demands (e.g., threats to shut down websites, release confidential customer information, or vandalism of computer networks).

**Privacy and Security** –responds to and covers claims arising from disclosing personally identifiable or confidential corporate information from various sources (e.g., phishing). Coverage extends to data in all forms (electronic and hard copy).

**Breach Event and Crisis Management Coverage** –responds to the costs of retaining vendors/services to assist in managing and mitigating a covered privacy or network security incident.

## FISCAL IMPACT:

The total cost of the policy year 2024 Cyber Liability Insurance program is estimated not to exceed \$265,000. This amount is already included in the Risk Management budget; therefore, no budget augmentation is required. The cost is split 90% to Integrated Systems Support which is included in the Nexant allocation model, and 10% to the A&G allocation methodology.



**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 of the California Environmental Quality Act. No environmental review is necessary.

**COMMITTEE REVIEW:**

Respectfully submitted,

RANDY S. HOWARD  
General Manager

Attachments:

- Resolution 24-XX

## **RESOLUTION 24-XX**

### **RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING THE CYBER LIABILITY INSURANCE PROGRAM RENEWAL FOR MAY 2024 TO MAY 2025**

**(reference Staff Report #XXX:24)**

WHEREAS, the Agency utilizes the insurance brokerage services of Alliant Insurance Services, Inc. to market and place the Agency's insurance programs. Each insurance policy and the related insurance market conditions are reviewed and marketed as required to qualified insurers experienced in underwriting the applicable insurance risk; and

WHEREAS, the Agency currently carries Cyber Liability coverage, and this coverage provides Liability Coverage for the Agency should the network experience a breach or critical computer and data infrastructure be compromised by internal or external individuals or organizations; and

WHEREAS, the IS team was instrumental in assisting with completing the insurer's application and questionnaire, and the insurer requested no follow-up questions or clarifications, leading to renewal pricing improving substantially; and

WHEREAS, underwriters have provided premium indications should remain flat for the Cyber Liability Program based on the thorough responses on the application; and

WHEREAS, to negotiate coverage of the policies, this action grants the authority to the General Manager to bind coverages with a not-to-exceed premium of \$265,000 for the May 2024 to May 2025 policy year; and

WHEREAS, the Facilities Committee reviewed and recommended on April 3, 2024, and the LEC PPC reviewed and approved on April 8, 2024; 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 granting the authority to the General Manager to bind Cyber Liability Insurance coverages at the proposed not-to-exceed rates of \$265,000 for the May 2024 to May 2025 policy year.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2024  
by the following vote on roll call:

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

\_\_\_\_\_  
JERRY SERVENTI  
CHAIR

\_\_\_\_\_  
ATTEST: CARRIE POLLO  
ASSISTANT SECRETARY



# Commission Staff Report – *DRAFT*

**COMMISSION MEETING DATE:** April 25, 2024

**SUBJECT:** NCPA Preliminary Studies and Investigations Procedure; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members.

**AGENDA CATEGORY:** Discussion/Action

<b>FROM:</b>	Michael DeBortoli	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	N/A
Division:	Generation Services	<i>If other, please describe:</i>
Department:	Generation Services	

<b>IMPACTED MEMBERS:</b>					
All Members	<input checked="" type="checkbox"/>	City of Lodi	<input type="checkbox"/>	City of Shasta Lake	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>	City of Ukiah	<input type="checkbox"/>
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Plumas-Sierra REC	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>	Other	<input type="checkbox"/>
<i>If other, please specify</i>					
<hr/>					
<hr/>					

## **RECOMMENDATION:**

Approve Resolution 24-XX for Commission approval of the NCPA Preliminary Studies and Investigations Procedure (GS-201), establishing a process for the use of funds in the Preliminary Studies and Investigations (PS&I) budget account, including the requirements for project evaluation approvals, funds tracking, and reimbursement.

## **BACKGROUND:**

On March 23, 2023 the NCPA Commission directed NCPA staff to establish a Preliminary Studies and Investigations (PS&I) budget account to fund activities associated with researching and/or evaluating new projects that may be of interest to NCPA Members. The Commission also directed NCPA staff to establish a procedure for the use of these funds.

NCPA staff is now seeking approval of the completed Preliminary Studies and Investigations Procedure (GS-201). As requested by the NCPA Commission, this procedure details the responsibilities and process for utilizing funds from the PS&I budget account. This procedure is applicable to any research or development project that is not specifically connected to an existing NCPA Phase II agreement.

## **FISCAL IMPACT:**

There are no fiscal impacts associated with the development of this procedure. As detailed in the procedure, NCPA staff will seek Commission approval prior to spending any funds from the PS&I Budget Account.

## **SELECTION PROCESS:**

Approval of this procedure does not commit NCPA to any expenditure of funds. As detailed in the procedure, NCPA staff will seek Commission approval prior to moving forward with further evaluation of any potential projects. Work will be awarded following NCPA's standard 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:**

Pending Committee review and approval.

**AFTER FACILITIES APPROVAL:** On April 3, 2024 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

Respectfully submitted,

RANDY S. HOWARD  
General Manager

Attachments:

- Resolution 24-XX
- GS-201 Preliminary Studies and Investigations Procedure

**RESOLUTION 24-XX**

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING THE NCPA PRELIMINARY STUDIES AND INVESTIGATIONS PROCEDURE (GS-201)**

**(reference Staff Report #XXX:24)**

WHEREAS, on March 23, 2023 the NCPA Commission directed NCPA staff to establish a Preliminary Studies and Investigations (PS&I) budget account to fund activities associated with researching and/or evaluating new projects that may be of interest to NCPA Members. The Commission also directed NCPA staff to establish a procedure for the use of these funds; and

WHEREAS, NCPA staff have completed the Preliminary Studies and Investigations Procedure (GS-201). This procedure details the responsibilities and process for utilizing funds from the PS&I budget account; and

WHEREAS, NCPA staff is now seeking approval of the completed Procedure, to apply to any research or development project that is not specifically connected to an existing NCPA Phase II agreement; and

WHEREAS, on April 3, 2024 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval; 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 NCPA Preliminary Studies and Investigations Procedure (GS-201), establishing a process for the use of funds in the Preliminary Studies and Investigations (PS&I) budget account, including the requirements for project evaluation approvals, funds tracking, and reimbursement.


PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2024, by the following vote on roll call:

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

\_\_\_\_\_  
JERRY SERVENTI  
CHAIR

ATTEST:

\_\_\_\_\_  
CARRIE POLLO  
ASSISTANT SECRETARY

	<b>Generation Services Procedures</b> GS-201
Rev. 0	Preliminary Studies and Investigations Use Procedure
Date Approved:	Date First Issued:

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## **1.0 PURPOSE**

At the Commission direction during the March 2023 meeting, NCPA has established a Preliminary Studies and Investigations (PS&I) budget account to fund the activities associated with researching and/or evaluating new projects that might be of interest to the Members. The Commission also provided direction that NCPA is to establish a procedure for the use of the funds in the account. The objective of this procedure is to meet the NCPA Commissions requirements and provide a process for project study approvals, tracking funds, and reimbursement.

## **2.0 SCOPE**

This procedure is applicable to conceptual projects that might be of interest to NCPA Members.

## **3.0 DEFINITIONS**

3.1 Preliminary Studies & Investigation – The exploration process of potential energy projects from innovative technologies to speculative concepts. The exact worth of such projects might not be immediately evident, nor might each Member's individual gain. The PS&I process aims to seek and find value for NCPA JPA members.

## **4.0 RESPONSIBILITIES**

- 4.1 The Assistant General Manager of Generation Services will oversee the program. This role will ensure that the PS&I process does not progress without subsequent approvals.
- 4.2 The Director of Engineering will be responsible for managing each of the project studies. This role will report back to the Facilities Committee after each authorized study step. This role will collaborate with the Assistant Controller to establish the necessary account codes for tracking expenditures for any initial study packages approved by the Commission.
- 4.3 The Assistant Controller will be responsible for establishing account codes for each study project. The expenditures will be traceable across multiple years for member reimbursement should the project proceed. This role will produce reports as needed showing the study expenditures, vendor(s), and member responsibility per Appendix A. At minimum, once each fiscal year, this role will prepare a report summarizing all open study projects and the funds expended.

## **5.0 PROCEDURE**

- 5.1 Collection of Funds for Deposit into the Preliminary Studies and Investigation account
  - 5.1.1 The Assistant General Manager of Generation Services will include the

- recommended collection amount of PS&I Funding in the annual budget approval process.
  - 5.1.2 Following the adoption of each fiscal year budget, the Assistant Controller shall direct NCPA Staff to invoice each member 1/12<sup>th</sup> of the Commission approved PS&I budget amount in accordance with the allocation in Appendix A in the All Resources Bill, beginning in July.
  - 5.1.3 In conjunction with the annual fiscal year-end close and settlements processes, NCPA will encumber unspent budget funds.
  - 5.1.4 When earmarked PS&I activity related costs for conceptual projects are projected to exceed Commission approved funding, NCPA staff will request Commission approval of a budget augmentation prior to further earmarking PS&I funds for additional conceptual projects.
- 5.2 Identifying a Conceptual Project
  - 5.2.1 The Director of Engineering identifies a conceptual project to be considered by NCPA Members.
    - 5.2.1.1 The concept is purely theoretical.
    - 5.2.1.2 The concept may not have detailed specifics.
    - 5.2.1.3
  - 5.2.2 The Director of Engineering shall bring the conceptual project, including a recommended not to exceed amount, earmarking funds from the Preliminary Studies and Investigations (PS&I) budget account to the Facilities Committee and Utility Director meetings for review, discussion, and recommendation for NCPA Commission approval.
  - 5.2.3 NCPA staff will seek NCPA Commission approval to proceed with investigating the conceptual project, including a not to exceed amount, earmarking funds from the Preliminary Studies and Investigations (PS&I) budget account.
- 5.3 Developing a Study Package –
  - 5.3.1 Based on additional conceptual findings resulting from step 5.2, NCPA will develop a study package proposal.
    - 5.3.1.1 NCPA will recommend a study package that best fits the conceptual project including estimated costs.
    - 5.3.1.2 A study package may include fatal flaw analysis for transmission, electrical power plant equipment, power island equipment, electrical protection, civil, environmental, regulatory, permitting, economics, or others that may be best suited for the conceptual project.
  - 5.3.2 NCPA will present the conceptual findings from Step 5.2 and the proposed study package to the Facilities Committee and Utility Directors meetings and seek a recommendation for NCPA Commission approval.
  - 5.3.3 NCPA will seek Commission approval to proceed with the study package, with an amount not to exceed, using funds from the Preliminary Studies and Investigations (PS&I) budget account.
- 5.4 Presenting the Study Package Results
  - 5.4.1 NCPA will present the analysis and results from the study package from Step 5.3 to the Facilities Committee, Utility Director meetings and

Commission for review and discussion and take one of the following three actions.

- 5.4.1.1 NCPA may recommend returning to step 5.3 to include additional studies depending on initial findings.
- 5.4.1.2 NCPA may recommend the Commission declare the conceptual project to be a NCPA Project by entering into a Project Agreement with one or more NCPA Members desiring to participate in the NCPA Project pursuant to Section 6 of the Facilities Agreement, as may be amended from time to time.
  - 5.4.1.2.1 In the event that an NCPA Project is developed pursuant to Section 6 of the Facilities Agreement, the cost incurred for conceptual project shall be reimbursed by the Project Participants to the Preliminary Studies and Investigations account in NCPA phase II agreement pursuant to the Facilities Agreement.
- 5.4.1.3 NCPA may recommend that no further analysis, studies, and actions are needed at this time and the Commission may declare a termination of investigation regarding the conceptual project.
  - 5.4.1.3.1 If a conceptual project is not selected for further development, from that point forward, the conceptual project will not be eligible for reimbursement.
- 5.5 Termination of Preliminary Studies and Investigations (PS&I) budget account
  - 5.5.1 In the event the Commission terminates the PS&I budget account, the Assistant Controller shall determine the balance of the PS&I budget account and propose the return of the funds to the NCPA members in accordance with the Appendix A: Funding Allocation Table.

## 6.0 Appendix A – Funding Allocation Table

Funding allocation seeks to equitably spread expenses among all members, reducing individual costs while optimizing the impact of PS&I. Half of the expenses will be shared equally among all NCPA members, while the remaining half will be apportioned based on the JPA's Allocation table in the current NCPA Fiscal Year Budget.

NORTHERN CALIFORNIA POWER AGENCY	
PRELIMINARY SURVEY & INVESTIGATION - ENERGY STUDIES	
Allocation Table	JPA Member
<b>A</b>	50.0%
<b>B</b>	50.0%
<b>Weighted Allocation</b>	<b>100.0%</b>
<b>A</b> - Half of the costs to be funded evenly by all NCPA members.	
<b>B</b> - Half of the costs to be funded based on JPA allocation to NCPA members.	

## 7.0 VERSION HISTORY

No.	Explanation	Date	By
0	Procedure created. Further revisions incorporated based on comments during the March 2024 Facilities Committee Meeting.		Michael DeBortoli/Jeremy Lawson

## 8.0 APPROVALS

Approved By	Signature	Date
Jeremy Lawson – Director of Engineering, Generation Services		
Sondra Ainsworth – Treasurer Controller. Administrative Services		
Michael DeBortoli – Assistant General Manager, Generation Services		
Monty Hanks – Assistant General Manager, Administrative Services		
Randy Howard – General Manager		

## 9.0 DISTRIBUTION

Name	Date
Michael DeBortoli, Assistant General Manager, Generation Services	
Sondra Ainsworth – Treasurer Controller. Administrative Services	
Monty Hanks – Assistant General Manager, Administrative Services	
Randy Howard – General Manager	



# Commission Staff Report – *DRAFT*

**COMMISSION MEETING DATE:** April 25, 2024

**SUBJECT:** Phase 1 – Engineering Design Package for the NCPA Geothermal Plant 2 480V MCC Building Replacement Project; Applicable to the following: NCPA's Geothermal Facility

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Michael DeBortoli	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	<i>Competitive Pricing Process</i>
Division:	Generation Services	<i>If other, please describe:</i>
Department:	Geothermal	

## IMPACTED MEMBERS:

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

*If other, please specify*

Turlock



## **RECOMMENDATION:**

Approve Resolution 24-XX authorizing Phase 1 – Engineering Design Package for the Geothermal Plant 2 480V MCC Building Replacement Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for a total not to exceed amount of \$350,000, with \$100,000 to be funded from the FY24 budget, and the remaining \$250,000 collected in the FY25 Geothermal budget.

## **BACKGROUND:**

NCPA's Plant 2 has a modular unit housing 480V Motor Control Center (MCC) that is used to provide power and controls to the Plant 2 Stretford Gas Processing System. The power is used to run the pumps, filter press, fans, plant lighting, and heat trace to the Stretford system. It also provides feedback to Siemens T3K Distributed Control System to operate the system.

The modular housing for the Stretford 480V MCC is corroded, and the electrical equipment inside of the unit, including the breakers, transformers, and control systems, are severely degraded and can fail during inclement weather. NCPA staff have determined that the housing and all internal equipment will need to be replaced.

The proposed Geothermal Plant 2 480V MCC Building Replacement Project will include demolition of the current building, construction of a new modular unit, and replacement and installation of all internal equipment. Successful completion of this project will ensure operational reliability for Plant 2 going forward.

The Plant 2 MCC Building Replacement Project will be broken out into two phases:

- Phase 1 – Engineering Design Package (FY24/FY25)
- Phase 2 – Procurement and Construction (FY26)

NCPA is currently seeking approval from the Commission for Phase 1 of the project only. Authorization for Phase 2 is anticipated to be sought from the Commission later in 2024, pending completion of Phase 1.

Phase 1 – Engineering Design Package will include the following tasks:

- Demolition plans with current MCC buildings drawings
- Complete construction plans (electrical, mechanical, and civil) CEC building code
- Equipment specification
- CEC communication and feedback
- Engineering estimate

## **FISCAL IMPACT:**

The total cost of Phase 1 – Engineering Design Package for the Geothermal Plant 2 480V MCC Building Replacement Project is anticipated not to exceed \$350,000. A breakdown of the costs for Phase 1 is shown in the table below.

<b>Geothermal Plant 2 480V MCC Building Replacement Project – Phase 1 Budget</b>	
Demolition Plan	\$39,209
Complete Construction Plans	\$71,911
Equipment Specification	\$76,465
CEC Communication & Feedback	\$14,376
Engineering Estimate	\$42,674
Complete Engineering Bid Package	\$38,716
Contingency	\$66,649
<b>TOTAL PHASE 1 BUDGET</b>	<b>\$350,000</b>

\$100,000 in funds for Phase 1 of the project were included in the approved FY24 Geothermal Budget. The remaining \$250,000 from this project will be collected in the FY25 Geothermal Budget.

### **SELECTION PROCESS:**

In accordance with NCPA's procurement policies and procedures, NCPA staff followed a formal competitive bid process for Phase 1 – Engineering Design Package for this project. NCPA contacted several engineering firms with a request for proposals on the Plant 2 480V MCC Replacement Project. Job walks took place on November 7 and 16, 2023 and there were two attendees on the job walks. Bids were due on December 14, 2023. One vendor, HDR Engineering, declined to bid, while another vendor, IEC Corporation, was non-responsive. NCPA received responses from two vendors: Worley Parsons and Black & Veatch. Worley Parsons was the low bidder at \$285,351. NCPA intends to award this work to Worley Parsons pending approval of Phase 1 – Design Engineering Package for the Geothermal Plant 2 480V MCC Replacement Project

Phase 2 – Procurement and Construction will be bid out according to NCPA's procurement policies and procedures.

### **ENVIRONMENTAL ANALYSIS:**

The proposed activities of the Geothermal Plant 2 MCC Building Replacement Project are exempt from the provision of the California Environmental Quality Act (CEQA) pursuant to Sections 15301(a)(b)(d) and 15302(c) (Classes 1 and 2 as described in Title 14 of the California Code of Regulations at §§15000 *et seq.*). This project consists of routine, recurring maintenance to existing equipment and facilities. This project will not change the function, size or operation of the equipment and/or facilities. NCPA filed a Notice of Exemption that covers this activity with Lake and Sonoma Counties. Thus, this project conforms to these exemptions.

### **COMMITTEE REVIEW:**

Pending Committee review and approval.

**AFTER FACILITIES APPROVAL:** On April 3, 2024 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

Respectfully submitted,

RANDY S. HOWARD  
General Manager

Attachments:

- Resolution 24-XX

DRAFT

## **RESOLUTION 24-XX**

### **RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING THE NCPA GEOTHERMAL PLANT 2 480V MCC BUILDING REPLACEMENT PROJECT**

**(reference Staff Report #XXX:24)**

WHEREAS, the Northern California Power Agency (NCPA) operates and maintains on behalf of the project owners a Geothermal facility near Middletown, CA consisting of two power plants with containment areas, 78 steam production and injection wells; and

WHEREAS, NCPA's Geothermal Plant 2 has a modular unit housing a 480V Motor Control Center (MCC) that is used to provide power and controls to the Plant 2 Stretford Gas Processing System; and

WHEREAS, NCPA staff has determined that the Plant 2 480V MCC housing and all internal equipment are severely degraded, and replacement of all components is necessary to ensure operational reliability for Plant 2 going forward; and

WHEREAS, the Geothermal Plant 2 480V MCC Building Replacement Project will be broken into two phases: Phase 1 – Design Engineering Package (FY24 and FY25) and Phase 2 – Procurement and Construction (FY26). NCPA is currently seeking approval from the Commission for Phase 1 of the project only. Authorization for Phase 2 is anticipated to be sought from the Commission later in 2024, pending completion of Phase 1; and

WHEREAS, in accordance with NCPA's procurement policies and procedures, NCPA staff followed a competitive bid process for Phase 1 – Engineering Design Package, with proposals due December 14, 2023. NCPA received responses from two vendors: Worley Parson and Black & Veatch. Worley Parsons was the low bidder at \$285,351, and NCPA intends to award this work to Worley Parsons pending approval of Phase 1 – Engineering Design Package for the Geothermal Plant 2 480V MCC Replacement Project; and

WHEREAS, on April 3, 2024, the Facilities Committee reviewed and endorsed this project for Commission approval; and

WHEREAS, the proposed activities of the NCPA Geothermal Plant 2 MCC Building Replacement Project are exempt from the provision of the California Environmental Quality Act (CEQA) pursuant to Sections 15301(a)(b)(d) and 15302(c) (Classes 1 and 2 as described in Title 14 of the California Code of Regulations at §§15000 et seq.). This project consists of routine, recurring maintenance to existing equipment and facilities. This project will not change the function, size or operation of the equipment and/or facilitates. NCPA filed a Notice of Exemption that covers this activity with Lake and Sonoma Counties. Thus, this project conforms to these exemptions; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes Phase 1 – Engineering Design Package of the Geothermal Plant 2 480V MCC Building Replacement Project and delegates authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for a total not exceed amount of \$350,000, and approval for \$100,000 to be funded from the FY24 Geothermal Budget, and the remaining \$250,000 collected in the FY25 Geothermal Budget.

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PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2024, by the following vote on roll call:

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

\_\_\_\_\_  
JERRY SERVENTI  
CHAIR

ATTEST: \_\_\_\_\_  
CARRIE POLLO  
ASSISTANT SECRETARY



# Commission Staff Report

**COMMISSION MEETING DATE:** April 25, 2024

**SUBJECT:** Approval of Fiscal Year 2025 Annual Budget

**AGENDA CATEGORY:** Discussion/Action

**FROM:** Monty Hanks

Assistant General  
Manager/CFO

**METHOD OF SELECTION:**

N/A

**Division:** Administrative Services

**Department:** Accounting & Finance

## IMPACTED MEMBERS:

**All Members** ☒

**City of Lodi** ☐

**City of Shasta Lake** ☐

**Alameda Municipal Power** ☐

**City of Lompoc** ☐

**City of Ukiah** ☐

**San Francisco Bay Area  
Rapid Transit** ☐

**City of Palo Alto** ☐

**Plumas-Sierra REC** ☐

**City of Biggs** ☐

**City of Redding** ☐

**Port of Oakland** ☐

**City of Gridley** ☐

**City of Roseville** ☐

**Truckee Donner PUD** ☐

**City of Healdsburg** ☐

**City of Santa Clara** ☐

**Other** ☐

*If other, please specify*

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**RECOMMENDATION:**

Recommending the Northern California Power Agency (NCPA) Commission adopt Resolution 24-XX approving the FY2025 Annual Budget and Working Capital and Funding Requirement as detailed in the attached budgetary support and Annual Budget document.

**BACKGROUND:**

In October 2023, the Commission approved budget guidance for the NCPA FY2025 Annual Budget and staff began preparation of the proposed budget. From February through April 2024, staff presented the budget to various Commission Committees as follows:

- Facilities Committee (February 14<sup>th</sup>, March 6<sup>th</sup>, April 3<sup>rd</sup>)
- Lodi Energy Center Project Participants Committee (February 12<sup>th</sup>, March 11<sup>th</sup>, April 8<sup>th</sup>)
- Legislative and Regulatory Committee (February 21<sup>st</sup>)
- Utility Directors (March 15<sup>th</sup>, April 11<sup>th</sup>)
- Commission Budget Preview (March 28<sup>th</sup>)

The entire budget document is available on the Agency's extranet site, [NCPA Connect](#).

All changes resulting from the budget review meetings have been incorporated into the proposed FY2025 Annual Budget.

**Overview of the FY2025 Annual Budget**

This proposed budget totals \$565.9 million (net of revenues). Overall results represent a 16.1% or \$108.9 million dollar decrease over the FY2024 approved budget. Budget changes include:

Generation Plants

- Increases in fuel and local distribution costs (\$4.6m) driven by higher forward curve market prices
- Increase in CAISO energy settlement charges (\$2.2m)
- Increase in GHG allowance costs (\$4.2m) driven by price increases
- Addition of CT2 decommissioning reserve collection (\$2.3m)
- Increase in net Project and Capital Development Reserve collections (\$20.1m)
- Increase in routine O&M costs to operate the plants (\$1.7m)
- Increase in allocated A&G and Nextant costs (\$1.8m)
- Decrease in CAISO energy sales related to volumes and lower forward curve (\$27.2m)
- Decrease in debt service requirements for Hydro, Geo, and CT2 (\$24.3m)

Generation Resources

- Net increase in Member Energy Resources (\$5.3m) driven by reduced volume of contract purchases offset by a higher reduction in volume of energy sales and reduced forward curve prices
- Net decrease in Western Resources (\$11.5m) primarily due to higher volume of energy sales, forward curve price decreases, and restoration cost decreases

- Decreased Net Load costs, net of member-owned generation CAISO energy sales (\$146.3m) driven by lower volumes and forward price decreases

#### Transmission

- Decreases in costs (\$27.7m) related to decreased Wheeling Access Charge and a small decrease in forecasted load

#### Management Services

- Net increases in expenses totaling (\$4.1m) related to \$2.9m one-time cost of DRC2, \$370k SCALD software and hardware purchases, and increased A&G (\$418k) with balance of increase related to merit driven labor increases and consulting costs

#### Personnel

- Increase of one Full-Time Equivalent Computer Technology Analyst position offset by reduction of intern (0.8) for a total FTE change of 0.92.

#### Miscellaneous

- Increase in pass-through costs (\$202k) driven by increased member services energy efficiency and energy target activities.

### **Working Capital Deposit and Funding Requirement**

The Agency provides Working Capital for its Participants and Programs through a combination of:

- Month Ahead Advance Billing;
- Project Financed Deposits; and
- Working Capital Participant Deposits of 15 to 30 days' equivalencies – see attached Analysis of Working Capital Requirements.

In connection with the preparation of the Annual Budget, the Working Capital Participant Deposits are adjusted each year to reflect any changes in the Annual Budget. The proportional allocation of these deposits is based on the participant's percentage in each Project or Program. Any additional deposit required is billed via the monthly All Resources Bill (ARB) and any Refund credit is deposited to the participant's account in the NCPA General Operating Reserve (GOR).

Please note that calculations for the Lodi Energy Center are reported separately based on the 60-day Operating Reserve requirement in the Power Sales Agreement (PSA) for that Project.

A summary of the proposed annual budget, an analysis of the working capital deposit and funding requirement, and a copy of the PowerPoint presentation are attached.

### **FISCAL IMPACT:**

The Executive Summary section of the budget document contains an analysis of the overall budget. The total proposed net annual budget cost for FY2025 is approximately \$565.9 million, which represents a decrease of 16.1% or a \$108.9 million dollar decrease from the FY2024 budget as summarized in the attached schedule. Allocation of the FY2025 Annual Budget between members and LEC participants is based on participation levels in NCPA programs and projects and the approved cost allocations. The final funding allocation for each member is attached to this staff report and shown in Section 13 of the budget document.



The total calculated FY2025 Working Capital Deposit and Funding Requirements for the Annual Budget have increased by \$178k or 1.6%. The attached schedule shows each participant's Additional Requirement Charge or (Refund). The Additional Requirement Charge will be billed on the next ARB following Commission approval, and Refunds of credit amounts will be deposited into the applicable participant's individual GOR account.

#### **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 Legislative and Regulatory (L&R) Committee reviewed the L&R Program budget at their meeting on February 21, 2024, and unanimously approved the proposed program budget and recommended approval by the full NCPA Commission.

The Facilities Committee reviewed the Generation Services (except LEC), Power Management, and Administrative Services/Executive Services budget at their meetings on February 14, March 6, and April 3. The Committee unanimously recommended approval of the Generation Services and Plant budgets, Power Management budget, and Administrative and Executive Services budget.

The Lodi Energy Center Participants Committee reviewed the project budget on February 12, March 11, and April 8, 2023, and unanimously recommended approval to the Commission.

Respectfully submitted,

RANDY S. HOWARD  
General Manager

#### **Attachments:**

- Resolution 24-XX
- Budget Summary
- Participant Funding Summary
- Administrative General Wage Schedule
- Analysis of Working Capital Deposit and Funding Requirements

## **RESOLUTION 24-XX**

### **RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY ADOPTING THE FISCAL YEAR 2025 ANNUAL BUDGET AND WORKING CAPITAL DEPOSIT AND FUNDING REQUIREMENTS AND ADJUSTMENTS**

**(reference Staff Report #XXX:24)**

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 2025 (FY2025); 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 \$1,413,436; 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 FY2025 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 the FY2025 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 FY2025 Annual Budget; and

WHEREAS, the FY2025 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 FY2025 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 FY2025 Annual NCPA Budget; and

WHEREAS, the Agency provides Working Capital for its Projects and Programs through a combination of month ahead advanced billing, project financed deposits; and working capital participant deposits of 15 to 30 days' equivalencies; and

WHEREAS, the FY2025 Working Capital Deposit and Funding Requirement schedule shows each participant's Additional Requirement Charge or (Refund); and

WHEREAS, the Additional Requirement Charge will be billed on the next ARB following Commission approval, and Refunds of credit amounts will be deposited into the applicable participant's individual NCPA G.O.R. account; and

WHEREAS, the FY2025 Annual NCPA Budget document also contains certain proposed position changes, reclassifications and salary or pay schedules which also require Commission approval; 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 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 hereby irrevocably adopts, approves, and authorizes the program and project budgets which are an integral part of the FY2025 Annual Budget of the Agency, and it hereby irrevocably adopts, approves, and authorizes the FY2025 Annual Budget of the Agency. The Commission members hereby confirm their commitment and that of their respective member agencies, to provide funding of the FY2025 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 3. This Commission hereby irrevocably adopts, approves, and authorizes the related participant charges or refunds from the analysis of the Working Capital Deposit and Funding Requirement schedule for FY2025.

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 \_\_\_\_\_, 2024 by the following vote on roll call:

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

\_\_\_\_\_  
JERRY SERVENTI  
CHAIRPERSON

ATTEST: \_\_\_\_\_  
CARRIE POLLO  
ASSISTANT SECRETARY