

City of Riverside

Board of Public Utilities

Public Utilities
Administrative Office
3750 University Ave. 3 Fl.
Riverside, CA 92501
951-826-2135

City of Arts & Innovation

Agenda

Monday, August 12, 2019

6:30 PM

City Hall - Art Pick Council Chamber
3900 Main Street, Riverside

CHAIR CALLS MEETING TO ORDER

PLEDGE OF ALLEGIANCE TO THE FLAG

PUBLIC COMMENT

- 1 Public Comment Period - This is the portion of the meeting specifically set aside to invite your comments regarding Consent Calendar items and any matters within the jurisdiction of the Riverside Public Utilities Board - Individual audience participation is limited to 3 minutes and you will be asked to state your name and city of residence. Please complete and submit a speaker card to the Board Secretary.

CONSENT CALENDAR

All matters listed under the CONSENT CALENDAR are considered routine by the Board of Public Utilities and may be enacted by one motion in the form listed below. There will be no separate discussion of these items unless, before the Board of Public Utilities votes on the motion to adopt, Members of the Board of Public Utilities or the Public Utilities General Manager, or his designee, request specific items be removed from the Consent Calendar for separate action. Removed consent items will be discussed immediately after adoption of the balance of the Consent Calendar.

Minutes

- 2 Board of Public Utilities Minutes of July 22, 2019

Attachments: [Minutes](#)

Board Attendance

- 3 That the Board of Public Utilities excuse the absence of Board Member Ana Miramontes from the Special Board of Public Utilities meeting of May 21, 2019.

Attachments: [Report](#)

- 4 That the Board of Public Utilities excuse the absence of Board Member David Crohn from the Board of Public Utilities regular meeting on July 22, 2019 due to vacation.

Attachments: [Report](#)

Electric Items

- 5 Approve Work Order No. 1708708 for a total capital expenditure of \$2,038,000 for the Plaza Substation 4kV to 12kV Conversion of Circuit 441 Project.

Attachments: [Report](#)

[Map](#)

[Presentation](#)

- 6 Approve a Professional Services Agreement in response to RFP No. 1872 for Electrical Engineering Design Services for Pole Replacement, Vault Refurbishment or Replacement, and Line Reconductor with NV5, Inc., of Corona, California, for a two-year term ending June 17, 2021, in the amount of \$377,954; and approve Work Order No. 1903658 for a total expenditure of \$491,000.

Attachments: [Report](#)

[Award Recommendation](#)

[Agreement](#)

Other Items

- 7 Recommend that the City Council approve a Lease Agreement for ten years with Greenberg & Greenberg, A Professional Law Corporation of Riverside, California for approximately 3,188 square feet of rentable space in the Mission Square Office Building located at 3750 University Avenue, Suites 550 & 560.

Attachments: [Report](#)

[Agreement](#)

DISCUSSION CALENDAR

- 8 Recommend that the Board of Public Utilities approve payment of the annual membership dues for the American Public Power Association in the amount of \$66,937 for fiscal year 2019-20. (Presented by Todd Corbin)

Attachments: [Report](#)

[Invoice](#)

[Presentation](#)

- 9 That the Board of Public Utilities approve and recommend the City Council confirm the approval to assign shares of the Gage Canal Water Company to the remaining Riverside Public Utilities board members and the General Manager of Riverside Public Utilities. (Presented by Todd Jorgenson)

Attachments: [Report](#)
[List](#)

- 10 Recommend that the Board of Public Utilities recommend that the City Council approve transitional water service agreements between Olivewood Memorial Park, Evergreen Memorial Historic Cemetery, and Evergreen Memorial Park & Mausoleum and the City of Riverside. (Presented by Todd Jorgenson)

Attachments: [Report](#)
[Agreement - Evergreen](#)
[Agreement - Olivewood](#)
[Agreement - Historic Evergreen](#)
[Presentation](#)

CLOSED SESSION

- 11 Pursuant to Government Code §54956.8 to confer with Real Property Negotiators

Attachments: [Report](#)

BOARD MEMBER/STAFF COMMUNICATIONS

- 12 City Attorney report on Closed Session discussion
- 13 Systematic reporting on meetings, conferences, and seminars by Board members and/or staff
- 14 Items for future Board of Public Utilities consideration as requested by a member of the Board of Public Utilities

GENERAL MANAGER'S REPORT

- 15 SHARE Customer Update – July 2019

Attachments: [Report](#)

16 Monthly Power Supply Report – June 2019

Attachments: [Report](#)
[Chart](#)
[Chart](#)
[Chart](#)
[Chart](#)
[Chart](#)

17 Monthly Water Report – June 2019

Attachments: [Report](#)

18 SCPPA Monthly Agenda & Minutes – May 16, 2019 and July 18, 2019

Attachments: [Report](#)
[Report](#)

19 City Council / Committee Agendas – City Council July 2, 2019 and July 16, 2019

Attachments: [Report](#)
[Report](#)

20 Upcoming Meetings

Attachments: [Report](#)

21 Electric / Water Utility Acronyms

Attachments: [Report](#)

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*The next regular Board of Public Utilities meeting is scheduled for
Monday, August 26 , 2018*

*For live webcast of the Board of Public Utilities meeting:
<http://riversideca.legistar.com/Calendar.aspx>
or visit our website at
www.engageriverside.com*

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Sign up to receive critical information such as unexpected road closures, utility outages, missing persons, and evacuations of buildings or neighborhoods.

www.RiversideAlert.com

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Meeting of the Board of Public Utilities
Date of Meeting: August 12, 2019
Time of Meeting: 6:30 p.m.
Place of Meeting: Art Pick Council Chambers
3900 Main Street (at Main and Tenth Streets)
Riverside, California

PLEDGE OF ALLEGIANCE TO THE FLAG WAS GIVEN PUBLIC COMMENT

1. None.

Roll Call

Present: Jo Lynne Russo-Pereyra Dave Austin
 David Crohn Jeanette Hernandez
 Gil Ocegueda Andrew Walcker

Absent: Ana Miramontes (absence due to family commitment)
 Jennifer O'Farrell (absence due to family commitment)
 Elizabeth Sanchez-Monville (absence due to vacation)

Consent Calendar

Item #6 was pulled and will be reagendaized to a future Board meeting.

A motion was made to approve the following items on the Consent Calendar:

Motion--Austin Second--Crohn

Ayes: Russo-Pereyra, Hernandez, Ocegueda, Walcker

Absent: Ana Miramontes (absence due to family commitment)
 Jennifer O'Farrell (absence due to family commitment)
 Elizabeth Sanchez-Monville (absence due to vacation)

Minutes

2. The minutes of the Board of Public Utilities regular meeting held on July 22, 2019 was approved as submitted.

Board Attendance

3. That the Board of Public Utilities excuse the absence of Board Member Ana Miramontes from the Special Board of Public Utilities meeting of May 21, 2019.
4. That the Board of Public Utilities excuse the absence of Board Member David Crohn from the Board of Public Utilities regular meeting on July 22, 2019 due to vacation.

Electric Items

5. The Board of Public Utilities:

Approve Work Order No. 1708708 for a total capital expenditure of \$2,038,000 for the Plaza Substation 4kV to 12kV Conversion of Circuit 441 Project.

6. Moved to future date

Other Items

7. The Board of Public Utilities recommend that the City Council:

Recommend that the City Council approve a Lease Agreement for ten years with Greenberg & Greenberg, a Professional Law Corporation of Riverside, California for approximately 3,188 square feet of rentable space in the Mission Square Office Building located at 3750 University Avenue, Suites 550 & 560.

DISCUSSION CALENDAR

8. Recommend that the Board of Public Utilities approve payment of the annual membership dues for the American Public Power Association for \$66,937 for fiscal year 2019-20.

Utilities General Manager Todd Corbin clarified for the Board that Riverside Public Utilities had been previously paying its membership dues of the American Public Power Association (APPA) through a joint arrangement with Southern California Public Power

Association (SCPPA) members. He explained this was done to qualify SCPPA for significant cost reductions in its own membership to APPA. RPU staff found that there is not a cost difference in its own APPA dues whether it was paid directly by RPU or through SCPPA and recommended the Board approve the payment of APPA dues directly to increase transparency of the transaction. He stated that this action will not impact the discounted rate that SCPPA receives of which Riverside pays a partial share.

The Board of Public Utilities:

Approved the Recommendation that the Board of Public Utilities approve payment of the annual membership dues for the American Public Power Association in the amount of \$66,937 for fiscal year 2019-20.

Motion - Austin Second-Oceguera

Ayes: Russo-Pereya, Crohn, Hernandez, Walcker

Absent: Ana Miramontes {absence due to family commitment}
Jennifer O'Farrell {absence due to family commitment}
Elizabeth Sanchez-Monville {absence due to vacation}

9. That the Board of Public Utilities approve and recommend the City Council confirm the approval to assign shares of the Gage Canal Water Company to the remaining Riverside Public Utilities board members and the General Manager of Riverside Public Utilities.

Assistant General Manager/Water Todd Jorgenson explained the significance of the assignment of Gage Water Canal share to the Board Members and General Manager. He explained shares were only assigned and not owned. Assignment of shares are required as a condition to serving on the Gage Canal Company Board of Directors representing Riverside Public Utilities.

The Board of Public Utilities:

Approved and recommended the City Council confirm the approval to assign shares of the Gage Canal Water Company to the remaining Riverside Public Utilities board members and the General Manager of Riverside Public Utilities.

Motion - Austin Second - Ocegüera

Ayes: Russo-Pereya, Crohn, Hernandez, Walcker

Absent: Ana Miramontes (absence due to family commitment)
Jennifer O'Farrell (absence due to family commitment)
Elizabeth Sanchez-Monville (absence due to vacation)

10. Recommend that the Board of Public Utilities recommend that the City Council approve transitional water service agreements between Olivewood Memorial Park, Evergreen Memorial Historic Cemetery, and Evergreen Memorial Park & Mausoleum and the City of Riverside.

Assistant General Manager/Water Todd Jorgenson gave a presentation to the Board defining terms, historical background, significance and benefits of the transitional water agreements with the mentioned properties.

After discussion, the Board of Public Utilities:

Recommended that the Board of Public Utilities recommend that the City Council approve transitional water service agreements between Olivewood Memorial Park, Evergreen Memorial Historic Cemetery, and Evergreen Memorial Park & Mausoleum and the City of Riverside.

Motion - Ocegüera Second - Hernandez

Ayes: Russo-Pereya, Austin, Hernandez, Walcker

Absent: Ana Miramontes (absence due to family commitment)
Jennifer O'Farrell (absence due to family commitment)
Elizabeth Sanchez-Monville (absence due to vacation)

CLOSED SESSION

11. No reportable action was taken.

BOARD MEMBER/STAFF COMMUNICATIONS

12. City Attorney report on Closed Session discussion - None
13. Systematic reporting on meetings, conferences, and seminars by Board members and/or staff - No reported items.

14. Items for future Board of Public Utilities consideration as requested by a member of the Board of Public Utilities - None

GENERAL MANAGER'S REPORT

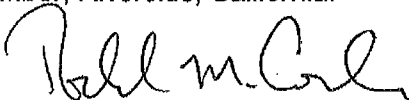
15. SHARE Customer Update - July 2019
16. Monthly Power Supply Report - June 2019
17. Monthly Water Report June 2019
18. SCPPA Monthly Agenda & Minutes - May 16, 2019 and July 18, 2019
19. City Council/Committee Agendas - City Council July 2, 2019 and July 16, 2019
20. Upcoming Meetings
21. Electric / Water Utility Acronyms

General Manager Todd Corbin informed the Board of upcoming meeting: Agricultural Water Rate Schedule on August 26, 2019 Board Meeting, Public Hearing scheduled for October 15, 2019 and City Council thereafter

General Manager Corbin referred the Board to the Monthly Water Report pointing out the 12 month water production and sales show a 10% reduction. He will report the financial impact of the trend at a future meeting.

UPCOMING MEETING

Chair Russo-Pereyra adjourned the meeting at approximately 7:41 p.m. The next regular meeting of the Board of Public Utilities will be on Monday, August 26, 2019 at 6:30 p.m. in the Art Pick Council Chamber, Riverside, California.

By: 

Todd M. Corbin, Secretary
Board of Public Utilities

Approved by: City of Riverside Board of Public Utilities

Dated: August 26, 2019



SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
NOTICE OF MEETING
Board of Directors

NOTICE IS HEREBY GIVEN by the undersigned, as the Executive Director of the Southern California Public Power Authority, that a regular meeting of the Board of Directors is to be held as follows:

Thursday, May 16, 2019

8:00 AM

Burbank Airport Marriott Hotel*
2500 North Hollywood Way
Burbank, California

The following matters are the business to be transacted and considered by the Board of Directors:

1. NOTICE / AGENDA AND OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

Members of the public may address the Board at this time on any item on today's agenda or any other item that is within the subject matter jurisdiction of the Board. Comments from members of the public shall be limited to three (3) minutes unless additional time is approved by the Board. Any member of the Board may request that items on the agenda be taken out of order, or that items be added to the agenda pursuant to the provisions of Section 54954.2(b) of the California Government Code.

2. CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine and will all be enacted by one motion. There will be no separate discussion of these items prior to the time the Board votes on the motion, unless one or more board members, staff, or the public requests that specific items be discussed and/or removed for separate discussions or action.

A. Minutes of the Board of Directors

- April 18, 2019

B. Monthly Investment Report

- March 2019

C. Resolution 2019-034: First Amendment to the Legal Services Agreement with Munsch Hardt Kopf & Harr, P.C. to extend the term for two years commencing June 27, 2019.

D. Resolution 2019-035: Second Amendment to the Legal Services Agreement with Holland & Hart, extending the term to June 30, 2021.

E. Resolution 2019-036: Approval of an Amendment to the Master Professional Services Agreement with PA Consulting Group, Inc. (PA).

3. EXECUTIVE DIRECTOR'S REPORT

The Executive Director will report on activities since the last Board Meeting.

A. Finance Committee Meeting Minutes

- For April 1, 2019

B. Resolution 2019-037: Modifications to the Employee Benefits Policy

4. FINANCE

The Interim CFO/CAO will report on current activities.

A. Resolution 2019-038: Administrative and General Budget for Fiscal Year 2019-20.

B. Resolution 2019-080: Allocation of initial costs among participants in proposed Gas and Energy Prepay Project.

C. Resolution 2019-081: Adjustments to the Classification and Salary Schedule.

D. Resolution 2019-082: Legal Services Agreement with the law firm of Orrick, Herrington & Sutcliffe LLP for special tax counsel services.

5. ASSET MANAGEMENT AND SPECIAL PROJECTS: DIRECTOR'S REPORT

The Director of Asset Management and Special Projects will report on project-related staff and agent activities.

A. Resolutions 2019-040—2019-079: Project Budgets

B. Resolution 2019-083: Amendment No.3 to the Parts and Special Services Agreement and Extra Work Agreement with General Electric International, Inc., for the Magnolia Power Project.

C. Project Reports

- MPP Operations Report 04-2019
- Palo Verde Status Report 05-2019

6. PROJECT AND PROGRAM DEVELOPMENT: MANAGERS' REPORTS

The Managers of Project and Program Development will report on current activities, including renewable energy project development, resource planning issues, Public Benefits, Electrification, and smart grid.

A. Resolution 2019-084: Eland Solar & Storage Center, Phase 1 Project and associated Power Purchase Agreement with 68SF 8me LLC, separate Power Sales Agreements one with each of the City of Los Angeles and the City of Glendale and an Agency Agreement with the City of Los Angeles.

B. Resolution 2019-085: Eland Solar & Storage Center, Phase 2 Project (the "Project") and associated Power Purchase Agreement with 69SV 8me LLC, Power Sales Agreement with the City of Los Angeles and an Agency Agreement with the City of Los Angeles.

C. Resolution 2019-086: Service Agreement with Alliance for Cooperative Energy Services Power Marketing LLC to provide Scheduling and Trading, Settlements, and Credit Services to SCPA Member Agencies.

7. GOVERNMENT AFFAIRS: DIRECTOR'S REPORT

The Director of Government Affairs will report on regional, state, and/or federal legislative and regulatory activities affecting Southern California public power utilities, including climate change and air quality, wildfires, renewable energy and traditional energy resources, transportation and building electrification, alternative energy supplies, resource planning, market and utility operations, and joint powers agreements.

A. Legislative Update

- o For May 2019

B. SCPPA Monthly Federal Legislative Report

- o For May 2019

C. Wildfires

8. ROUNDTABLE DISCUSSION

Opportunity for Board Members to bring up informational items or request that an item be added to a future Board Agenda.

9. CLOSED SESSION

A. Security: Consultation with Michael S. Webster, Executive Director, and Richard J. Morillo, General Counsel regarding security issues pertaining to essential public services (water and electric service), pursuant to Section 54957 (a) of the California Government Code.

B. Public Employment: Work review and performance evaluation of the Executive Director of the Authority pursuant to section 54957 of the California Government Code.

C. Public Employment: Work review and performance evaluation of the General Counsel of the Authority pursuant to section 54957 of the California Government Code.

D. Potential Litigation: Conference with legal counsel regarding the potential initiation of litigation pursuant to subdivision (c) of section 54956.9 of the California Government Code (one potential case).

E. Potential Litigation: Conference with legal counsel regarding significant exposure to litigation pursuant to subdivision (b) of section 54956.9 of the California Government Code (one potential case).

The Authority, upon request, will provide reasonable accommodation to the disabled to ensure equal access to its meetings. To ensure availability, such request should be made 48 hours in advance by contacting the Authority at (626) 793-9364 during business hours.



MICHAEL S. WEBSTER

Executive Director
Southern California Public Power Authority

*The Board will participate in the Annual Conference beginning at 8AM in the Academy 1 Room and will meet to discuss the business indicated above in the Sunset B Room at 11:15 AM.



MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A regular meeting of the Board of Directors was held on **April 18, 2019** at the offices of the Authority:

**1160 Nicole Court
Glendora, California 91740**

*This meeting was called to order at **8:02am** by the President.*

**The following Board Members (B)
and Alternates (A) were present:**

Dukku Lee (B), Eric Klinkner (A), Tony Alegranza (A), Manny Robledo (B), Reiko Kerr (A), Jorge Somoano (B), Todd Corbin (B), Danny Garcia (A), Rebecca Gallegos (A), Todd Dusenberry (A), Tom Miller (B), Dave Wright (B), Stephen Zurn (B)

Staff Members present were:

Richard Morillo, Michael Webster, Bryan Cope, Tanya DeRivi, John Quan, Jim Compton, David Alexander, Stephen Kwok, Mike Bell, Yoli Pantig, Nick Blair, Nicole Solano, Amy Mmagu, Katie Ellis, Randy Krager, Salpi Ortiz, Rachel Pearson, Daniel Hashimi

**Attorneys, Member Employees
and Consultants present were:**

Victor Hsu (Norton Rose Fulbright)

1. Notice/Agenda and Opportunity for the Public to Address the Board

Mr. Somoano brought the meeting to order at 8:02 and asked for introductions. He then opened discussion to changes. Mr. Morillo stated the following changes on to consent calendar: Resolution 2019-027 for Cooper Compliance had an incorrect date; last-minute change to EcosEnergy; KTY was pulled from the Agenda. Mr. Morillo advised the board of the revised agreement in their packets.

Mr. Somoano moved to election of new First Vice President since Kelly Nguyen has vacated the position. He opened the floor for nominations. Mr. Lee noted that Mr. Bawa is currently the Second Vice President. He nominated Mr. Bawa for First VP position. Mr. Zurn seconded.

Moved By: Dukku Lee **Seconded By:** Stephen Zurn

Unanimously Approved

Mr. Lee then nominated Mr. Miller as Second VP and Mr. Robledo seconded.

Moved By: Dukku Lee **Seconded By:** Manny Robledo

Unanimously Approved

Mr. Somoano then moved to the consent calendar.

Consent Calendar:

- **Minutes of the Board of Directors**
 - March 21, 2019
- **Monthly Investment Report**
 - February 2019
- **Resolution 2019-025:** Approval of a Master Professional Services Agreement with Cohen Ventures, Inc., dba Energy Solutions, ("Energy Solutions").
- **[Pulled]**
- **Resolution 2019-027:** Approval of the Third Amendment to the Master Professional Services Agreement between SCCPA and Cooper Compliance Corporation, for consulting services for NERC compliance, software, and training.
- **Resolution 2019-028:** Approval of Request by Pasadena for Withdrawal from its Project Stabilization Fund account.
- **Resolution 2019-029:** Approval of the Fourth Amendment to the Operation and Maintenance Agreement Between SCCPA and EthosEnergy Power Operations (West), LLC, for the Apex Generation Station (**Project Vote**)
- **Resolution 2019-030:** Approval of Professional Services Agreement with KTY Engineering for consulting services for development of a feed-in tariff. **[Pulled – No action taken]**

Moved By: Tom Miller

Seconded By: Reiko Kerr

Unanimously Approved

Mr. Webster requested the Resource and Program Development Reports be taken out of order to accommodate guests.

STAFF REPORT

2. Resource and Program Development Reports

Mr. Quan introduced Mr. Jim Compton and Mr. David Alexander to discuss Cybersecurity. Mr. Alexander and Mr. Compton presented the RFP which was discussed in the Working Group Meeting. The cybersecurity RFP process was discussed.

Cybersecurity Process:

- RFP issued on February 8, 2019
- RFP closed on March 11, 2019
- Evaluations completed March 18, 2019
- 11 cybersecurity services grouped among 3 categories
- SCCPA received 34 proposals, 4 rejected due to being non-responsive
- Scoring Criteria:
 - 30% of the total grade comprises of content, structure
 - 70% of the remaining grade revolves on capabilities in cybersecurity services
- 3 vendors selected for this initial round of approval

Mr. Alexander and Mr. Compton discussed the three vendors that were selected based on a comprehensive matrix of criteria. Archer, Drago, and Ardent were presented to the Board for consideration.

Mr. Morillo noted that two of the agreements had last-minute changes that were reflected in the packets. Mr. Hashimi clarified that the corrections included cost of travel.

After noting the significance of cybersecurity, Mr. Wright moved to approve. Questions were raised by Board members Lee and Somoano and were answered by presenters.

Mr. Wright moved to approve Resolutions, as follows:

Resolution 2019-031: Approval of a Master Professional Services Agreement with Ardent Cyber Solutions, LLC to provide Cybersecurity Services to SCPPA Member Agencies.

Resolution 2019-032: Approval of a Master Agreement with Archer Utility Solutions, LLC to provide Cybersecurity Services to SCPPA Member Agencies.

Resolution 2019-033: Approval of a Master Professional Services Agreement with Dragos, Inc. to provide Cybersecurity Services to SCPPA Member Agencies.

Moved By: Dave Wright

Seconded By: Eric Klinkner

Unanimously Approved

3. Executive Director's Report

Mr. Webster then gave the Executive Director's report. He mentioned that CFO candidates were being reviewed.

Mr. Webster addressed an issue which was raised by Riverside. He referred the Board to Norton Rose Fulbright's memorandum, in the packet.

STAFF REPORTS, CONTINUED

4. Asset Management and Special Projects: Director's Report

Ms. Ellis presented the MPP Operations Report for 03-2019. She also presented the Palo Verde Status Report for 04-2019. Ms. Ellis then addressed Project Budgets. She directed the Board to the handout in their packets. Project budget is up 3% from last year. Palo Verde is down 2% year-over-year. Ms. Ellis addressed each of the projects and their various states of increase and decrease.

Ms. Ellis invited questions from the Board. Mr. Somoano and Mr. Webster asked follow-up questions, which were addressed by Ms. Ellis.

Mr. Bell then presented the A&G Budget, which has been reviewed twice. A Finance Committee meeting is scheduled for May 5, 2019 after which time an official recommendation will be made to the Board. Mr. Webster directed the Board's attention to the budget, which was included in their packets. Overall, there is minimal change.

Mr. Bell mentioned that there are 18 budgeted positions, same as last year. He also mentioned that Mr. Beatty's former position was budgeted for half the year and mentioned salary increase, which is minimal. He mentioned that the L&R budget is increasing, due to travel and meeting costs.

Mr. Bell invited questions from the Board. Mr. Robledo confirmed the amount of the overall budget. Mr. Somoano suggested Mr. Beatty's former position be budgeted for the entire year. That issue was deferred to the Finance Committee for its recommendation.

After a brief discussion, the Board turned its attention to L&R.

5. Government Affairs: Director's Report

Ms. DeRivi presented on Government Affairs, focusing on the Governor's Strike Team. Wildfires are going to be a very big issue. She mentioned that at the next scheduled Board meeting, there will be limited time due to the SCPPA Annual Conference, but she will do her best to update the Board on wildfire matters.

SB901 has a July 12 deadline. Every single utility will need to have a wildfire mitigation plan, which must be reviewed by a third party. Ms. DeRivi mentioned that we are looking into independent wildfire mitigation plans and that we possibly will be getting an expert from Australia.

Mr. Robledo suggested LA County Fire; however, the requirement states that it must be a third party. Mr. Wright addressed the disparity of payment between Southern California and Northern California. He emphasized the desire to see a stronger push for not charging our people for the risk of Northern California.

Mr. Wright expressed a desire for a separate line item on the bill, not included in rates. Ms. DeRivi said one of the requests made is to actually put lines on a map to show where the wildfire threats are. Ms. Kerr asked about greenhouse funds; however, Ms. Mmagu said the reason is pet projects.

Mr. Blair has been attending CalFire meetings. They are discussing vegetation management. One of the big pain points is that no one in the state can determine who should be regulating what. PG&E has been at these meetings. The Governor wants to get something going by July 12.

- 901 Commission: July 1 due date.
- Legislation – July 12 deadline.

Brief conversation ensued. At 9:33am, the Board went into closed session.

6. Closed Session

Adjournment. The meeting was adjourned at 3:24 pm.

Respectfully Submitted,

David H. Wright
Secretary



**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
NOTICE OF MEETING
Board of Directors**

NOTICE IS HEREBY GIVEN by the undersigned, as the Executive Director of the Southern California Public Power Authority, that a regular meeting of the Board of Directors is to be held as follows:

Thursday, July 18, 2019

10:00 AM

1160 Nicole Court
Glendora, CA 91740

The following matters are the business to be transacted and considered by the Board of Directors:

1. NOTICE / AGENDA AND OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

Members of the public may address the Board at this time on any item on today's agenda or any other item that is within the subject matter jurisdiction of the Board. Comments from members of the public shall be limited to three (3) minutes unless additional time is approved by the Board. Any member of the Board may request that items on the agenda be taken out of order, or that items be added to the agenda pursuant to the provisions of Section 54954.2(b) of the California Government Code.

2. CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine and will all be enacted by one motion. There will be no separate discussion of these items prior to the time the Board votes on the motion, unless one or more board members, staff, or the public requests that specific items be discussed and/or removed for separate discussions or action.

A. Minutes of the Board of Directors

- May 16, 2019

B. Monthly Investment Report

- April 2019
- May 2019

C. Quarterly Finance Report

- March 31, 2019
- Combined Financial Statements

D. Resolution 2019-087: Approve and authorize Executive Director to sign an Election to Participate, Release and Claim Form to receive a share of a settlement of litigation brought by 42 state Attorneys General against Citibank, N.A. for securities fraud, unfair business practices, and similar claims.

E. Resolution 2019-088: Approval of an Agreement with the Los Angeles CleanTech Incubator (LACI) for SCPPA to engage at the Associate Level in LACI's Electric Transportation Partnership, in support of the Zero Emissions 2028 program ("ZE2028 Program").

- F. Resolution 2019-089:** Authorization to obtain a Champion level membership in Veloz, a non-profit corporation established to increase outreach to the public on the value of driving electric vehicles.
- G. Resolution 2019-090:** Approve and Authorize Executive Director and General Counsel to Sign Stipulation for Entry of Final Judgment in Condemnation in the case entitled *People of the State of California (CalTrans) v. Southern California Public Power Authority, et al.*, San Bernardino Superior Court Case No. CIVDS 1806609.
- H. Resolution 2019-091:** Amendment to the Funding Agreement ("Agreement") with the California Municipal Utilities Association ("CMUA") and Northern California Power Agency ("NCPA") for development of a statewide Energy Efficiency program Cost-effectiveness Tool and Reporting Platform ("CET/RP" or "Platform").
- I. Resolution 2019-092:** Approval of a First Amendment to the existing Master Professional Services Agreement with Plug In America extending the agreement for one additional three-year term.
- J. Resolution 2019-093:** Approval of a First Amendment to the existing Master Professional Services Agreement with Pandora Consulting Associates, LLC extending the agreement for one additional three-year term.
- K. Resolution 2019-094:** Approval of a First Amendment to the existing Master Professional Services Agreement with CalStart, Inc extending the agreement for one additional three-year term.
- L. Resolution 2019-095:** Approval of a First Amendment to the existing Master Professional Services Agreement with Green Acres Advertising and Design, Inc extending the agreement for one additional three-year term.
- M. Resolution 2019-096:** Approval of a Second Amendment to the existing Master Professional Services Agreement with Adopt A Charger, Inc extending the agreement for one additional three-year term.
- N. Resolution 2019-097:** Approval of a First Amendment to the existing Master Professional Services Agreement with Enervue Corporation extending the agreement for one additional three-year term.
- O. Resolution 2019-103:** Authorizing the Executive Director to pay the Fiscal Year 2019-20 APPA annual dues.

3. EXECUTIVE DIRECTOR'S REPORT

The Executive Director will report on activities since the last Board Meeting.

- A. Resolution 2019-102:** Approval and adoption of Vision, Mission and Value Statements, and Strategic Priorities for the 2019 Strategic Plan.

B. Ron Nichols – In Memoriam

4. FINANCE

The CFO/CAO will report on current activities.

A. Minutes of the Finance Committee

- o May 6, 2019

B. STS Financing Schedule and Cost Update

- C. Resolution 2019-098:** Approve a Reimbursement Resolution for expenditures relating to the issuance of gas and energy prepay project revenue bonds.

5. PROJECT AND PROGRAM DEVELOPMENT: MANAGERS' REPORTS

The Managers of Project and Program Development will report on current activities, including renewable energy project development, resource planning issues, Public Benefits, Electrification, and smart grid.

- A. Resolution 2019-100:** Execute Master Professional Service Agreement with KnowBe4, Inc., to provide Cybersecurity Awareness Training to SPPA Member Agencies.
- B. Resolution 2019-101:** Approval of a Master Professional Services Agreement with EnergyX Solutions, Inc.
- C. Energy Efficiency Report/SB350**

6. GOVERNMENT AFFAIRS: DIRECTOR'S REPORT

The Director of Government Affairs will report on regional, state, and/or federal legislative and regulatory activities affecting Southern California public power utilities, including climate change and air quality, wildfires, renewable energy and traditional energy resources, transportation and building electrification, alternative energy supplies, resource planning, market and utility operations, and joint powers agreements.

- A. Legislative Update**
 - o For July 2019
- B. SPPA Monthly Federal Legislative Report**
 - o For June 2019
- C. Wildfires**
- D. CARB Clean Fleets Rule Making**

7. ASSET MANAGEMENT AND SPECIAL PROJECTS: DIRECTOR'S REPORT

The Director of Asset Management and Special Projects will report on project-related staff and agent activities.

- A. Budget Comparisons**
- B. Renewables Report**
- C. Project Updates**
 - o MPP Operations June Report
 - o Palo Verde Status Report

8. ROUNDTABLE DISCUSSION

Opportunity for Board Members to bring up informational items or request that an item be added to a future Board Agenda.

9. CLOSED SESSION

- A. Security:** Consultation with Michael S. Webster, Executive Director, and Richard J. Morillo, General Counsel regarding security issues pertaining to essential public services (water and electric service), pursuant to Section 54957 (a) of the California Government Code.
- B. Public Employment:** Work review and performance evaluation of the Executive Director of the Authority pursuant to section 54957 of the California Government Code.
- C. Public Employment:** Work review and performance evaluation of the General Counsel of the Authority pursuant to section 54957 of the California Government Code.
- D. Potential Litigation:** Conference with legal counsel regarding the potential initiation of litigation pursuant to subdivision (c) of section 54956.9 of the California Government Code (one potential case).

E. Potential Litigation: Conference with legal counsel regarding significant exposure to litigation pursuant to subdivision (b) of section 54956.9 of the California Government Code (one potential case).

10. ADJOURNMENT

The Board will adjourn the meeting in memory of Ron Nichols, former General Manager of the Los Angeles Department of Water and Power and SCPPA Board Member and Secretary.

The Authority, upon request, will provide reasonable accommodation to the disabled to ensure equal access to its meetings. To ensure availability, such request should be made 48 hours in advance by contacting the Authority at (626) 793-9364 during business hours.



MICHAEL S. WEBSTER

Executive Director
Southern California Public Power Authority



MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A regular meeting of the Board of Directors was held on **May 16, 2019** in the Sunset B Room of the Burbank Airport Marriott Hotel:

**2500 North Hollywood Way
Burbank, California**

*This meeting was called to order at **11:15 am** by the President. **

**The following Board Members (B)
and Alternates (A) were present:**

Dukku Lee (B), Bawa Gurcharan (B), Henry Martinez, (B), Manny Robledo (B), Reiko Kerr (A), Jorge Somoano (B), Todd Corbin (B), Danny Garcia (A), Rebecca Gallegos (A), Abraham Alemu (B), Tom Miller (B), Stephen Zurn (B); Kanna Vancheswaran (A)

Staff Members present were:

Richard Morillo, Michael Webster, Bryan Cope, Tanya DeRivi, John Quan, Mike Bell, Yoli Pantig, Nick Blair, Amy Mmagu, Katie Ellis, Randy Krager, Daniel Hashimi

**Attorneys, Member Employees
and Consultants present were:**

Cecilia Dyba (Norton Rose Fulbright); Ashley Wald (Holland & Hart); Frank Messiano (Burbank); Louis Ting (LADWP); Mark Young (Glendale)

1. NOTICE/AGENDA AND OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

The Board convened in the Sunset B Room at 11:15. Mr. Somoano brought the meeting to order and asked for introductions.

Mr. Somoano then moved to the consent calendar.

2. CONSENT CALENDAR:

- **Minutes of the Board of Directors**
 - April 18, 2019
- **Monthly Investment Report**
 - March 2019
- **Resolution 2019-034:** First Amendment to the Legal Services Agreement with Munsch Hardt Kopf & Harr, P.C. to extend the term for two years commencing June 27, 2019.
- **Resolution 2019-035:** Second Amendment to the Legal Services Agreement with Holland & Hart, extending the term to June 30, 2021.
- **Resolution 2019-036:** Approval of an Amendment to the Master Professional Services Agreement with PA Consulting Group, Inc. (PA).

Consent items were approved and adopted in one motion, as follows:

Moved By: Rebecca Gallegos **Seconded By:** Steve Zurn

Unanimously Approved

3. EXECUTIVE DIRECTOR'S REPORT

The Executive Director thanked the Board Members for allowing their staffs to attend the Annual Conference. He then addressed the proposed modifications to the Employee Benefits Policy, indicating there are two substantive changes: (1) a reduction of required minimum balance of Universal Leave to remain in an employee's account for cash out of leave time; and (2) an increase in the amount of tuition reimbursement. Additionally, a clarification was made to draw a distinction between Protected Leave and Unprotected Leave.

- **Finance Committee Meeting Minutes** for April 1, 2019 were received and filed.
- **Resolution 2019-037:** Modifications to the Employee Benefits Policy

The Resolution was adopted, as follows:

Moved By: Manny Robledo **Seconded By:** Dukku Lee

Unanimously Approved

4. FINANCE

Mike Bell, Interim CFO/CAO reported on the following items:

- **Resolution 2019-038:** Administrative and General Budget for Fiscal Year 2019-20.
Mr., Bell noted one correction to the budget from the version previously distributed to the Board. As recommended by the Finance Committee, the budget now shows a full year's salary for the Director of Project and Program Development, even though the position is currently vacant.

The Resolution was adopted, as follows:

Moved By: Henry Martinez **Seconded By:** Gurcharan Bawa

Unanimously Approved

- **Resolution 2019-081:** Adjustments to the Classification and Salary Schedule.
Mr. Bell noted there is a 1.77% cost of living increase for SCPA employees reflected in the budget.

The Resolution was adopted, as follows:

Moved By: Steve Zurn

Seconded By: Manny Robledo

Unanimously Approved

Resolutions 2019-080 and 2019-082 both relate to the proposed Gas and Energy Prepay Project and were discussed together. Mr. Bell explained the purpose of the proposed cost allocation resolution is to enable SPPA to pay the initial costs incurred by consultants and outside attorneys. Such costs will be divided into equal shares among the four indicated participants, Anaheim, Burbank, Imperial Irrigation District and Vernon, subject to truing up later when bonds are issued and if additional members elect to participate. Mr. Somoano asked how long will the negotiations take to reach substantially final agreements for the transaction. Mr. Lee said he would like to hear more from PFM or Goldman Sachs on the risks associated with the project before fully committing to participate. Mr. Robledo indicated that Azusa was still considering participation but had some further questions to be discussed before committing.

Regarding the proposed agreement for tax counsel services, Mr. Morillo noted that the scope and the estimated contract amount may increase should there be two separate bond issues instead of one.

- **Resolution 2019-080:** Allocation of initial costs among participants in proposed Gas and Energy Prepay Project.
- **Resolution 2019-082:** Legal Services Agreement with the law firm of Orrick, Herrington & Sutcliffe LLP for special tax counsel services.

Both resolutions were approved in one motion, as follows:

Moved By: Dukku Lee

Seconded By: Henry Martinez

Unanimously Approved

5. ASSET MANAGEMENT AND SPECIAL PROJECTS: DIRECTOR'S REPORT

Katie Ellis, Director of Asset Management and Special Projects, first mentioned that work was finished on the 2019 SPPA Training Catalogue, which was included in the packet of materials for the 2019 Annual SPPA Conference. She then presented the proposed project budgets for Fiscal Year 2019-2020. Ms. Ellis indicated that revisions were made to the Palo Verde budget to account for increased loading rates adopted by Arizona Public Service and to the transmission project budgets to account for increases to capital expense forecasts. Revisions were made to all budgets to account for the inclusion of the full year's salary of the Director of Program and Project Development in the allocation of A&G expenses.

- **Resolutions 2019-040—2019-079:** Project Budgets

All project budget resolutions were adopted in one motion, with each resolution deemed recorded as a project vote:

Moved By: Reiko Kerr	Seconded By: Henry Martinez
Unanimously Approved	

Before consideration of the next item, Mr. Somoano briefly recessed the Board meeting for a brief meeting of the Magnolia Coordinating Committee. When that meeting adjourned, the Board meeting reconvened. The Board then took the following action:

- **Resolution 2019-083:** Amendment No.3 to the Parts and Special Services Agreement and Extra Work Agreement with General Electric International, Inc., for the Magnolia Power Project.

Moved By: Rebecca Gallegos	Seconded By: Dukku Lee
Unanimously Approved	

- **Project Reports**

- MPP Operations Report 04-2019
- Palo Verde Status Report 05-2019

6. PROJECT AND PROGRAM DEVELOPMENT: MANAGERS' REPORTS

Mr. Krager reported that negotiations were complete for the Eland Phase 1 and Phase 2 Photo Voltaic Solar and Storage Center Projects and that the project agreements were ready for adoption. Each project would have a capacity of 200 MW with a 100MW/400Mwh battery storage system. When completed, it will be the largest battery storage project in the United States. The project agreements each include an option to increase the battery size to 150MW/600Mwh battery storage system. The project is also first Solar project with a contract price below \$20.

The project resolutions were adopted in one motion:

- **Resolution 2019-084:** Eland Solar & Storage Center, Phase 1 Project and associated Power Purchase Agreement with 68SF 8me LLC, separate Power Sales Agreements one with each of the City of Los Angeles and the City of Glendale and an Agency Agreement with the City of Los Angeles.
- **Resolution 2019-085:** Eland Solar & Storage Center, Phase 2 Project and associated Power Purchase Agreement with 69SV 8me LLC, Power Sales Agreement with the City of Los Angeles and an Agency Agreement with the City of Los Angeles.

Moved By: Reiko Kerr

Seconded By: Steve Zurn

Unanimously Approved

Mr. Krager then presented a proposed master scheduling services agreement with Alliance for Cooperative Energy Services ("ACES") Power Marketing LLC. He said that an RFP was issued by SPPA to which nine firms responded. The members interested in obtaining such services through SPPA conferred and selected ACES for an award of a contract.

The Board then adopted the following resolution:

- **Resolution 2019-086:** Service Agreement with Alliance for Cooperative Energy Services Power Marketing LLC to provide Scheduling and Trading, Settlements, and Credit Services to SPPA Member Agencies.

Moved By: Steve Zurn

Seconded By: Gurcharan Bawa

Unanimously Approved

7. GOVERNMENT AFFAIRS: DIRECTOR'S REPORT

Ms. DeRivi and Ms. Mmagu led a discussion of legislative matters that included a discussion of Wildfires, NextEra's pumped storage bill, and AB 854 being held on the suspense file. Regarding the proposal for a \$40 billion wildfire fund, Mr. Bawa asked where the money would come from.

Mr. Martinez was thanked for IID's assistance in the mapping of transmission lines requested by SPPA staff.

- 8. CLOSED SESSION AND ADJOURNMENT:** The Board moved into closed session at 12:15 pm, from which it emerged at 12:45 pm. Board members then returned to the Conference until the end of the even.

Respectfully Submitted,

David H. Wright
Secretary

* The meeting was noticed for 8:00 am to allow Board Members to attend the Annual Conference in the Academy 1 Room at the same location.