



## **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, April 19, 2018**

**8:00 AM**

SCPPA Glendora Office  
1160 Nicole Court | Glendora, California  
(626) 793-9364

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 request that specific items be discussed or removed for separate discussion or action.

**A. Minutes of the Board of Directors**

For March 15, 2018.

**B. Monthly Investment Report**

For February 2018.

**C. Quarterly Financial Statements**

**D. Resolution 2018-019**

Approval of an Amendment to the existing Master Professional Services Agreement with Cinnabar California, Inc.

**E. Resolution 2018-020**

Approval of an Amendment to the existing Master Professional Services Agreement with Itron, Inc.

**F. Resolution 2018-021**

Approval of an Amendment to the existing Master Professional Services Agreement with Kandela, LLC.

**G. Resolution 2018-022**

Approval of an Amendment to the existing Master Professional Services Agreement with Ulligent, LLC.

**H. Resolution 2018-023**

Approval of a Master Professional Services Agreement with TRC Energy Services.

**I. Resolution 2018-024**

Approval of an Amendment to the existing Professional Services Agreement with Alternative Energy Systems Consulting, Inc.

**J. Resolution 2018-025**

Approval of an Amendment to the existing Professional Services Agreement with ARUP North America, Ltd.

**K. Resolution 2018-028**

Request from the City of Pasadena to revise the schedule of withdrawals from its Project Stabilization Fund account as previously approved by Resolution 2017-013.

**3. EXECUTIVE DIRECTOR'S REPORT**

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

- Six-Month Strategic Objectives

**4. CHIEF FINANCIAL AND ADMINISTRATIVE OFFICER'S REPORT**

The Chief Financial Officer will report on the status of current financing activities. Topics include:

- Budget Presentation
- Canyon Bond Refunding
- Canyon Bond Disclosure

**A. Finance Committee Minutes**

For March 5, 2018.

**B. Resolution 2018-026**

RESOLUTION 2018-26 RELATING TO THE CANYON POWER PROJECT AUTHORIZING: (I) THE REFUNDING OF CERTAIN OUTSTANDING BONDS; (II) THE EXECUTION AND DELIVERY OF (A) A SEVENTH SUPPLEMENTAL INDENTURE OF TRUST RELATING TO THE CANYON POWER PROJECT, REFUNDING REVENUE BONDS, 2018 SERIES A,

(b) AN EIGHTH SUPPLEMENTAL INDENTURE OF TRUST RELATING TO THE CANYON POWER PROJECT, REFUNDING REVENUE BONDS, 2018 SERIES B, AND (C) ONE OR MORE PURCHASE CONTRACTS RELATING TO SUCH BONDS; (III) THE DELIVERY OF A PRELIMINARY OFFICIAL STATEMENT AND THE EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT; (IV) CERTAIN RELATED ACTIONS; AND (V) THE OFFICERS AND EXECUTIVE DIRECTOR OF THE AUTHORITY TO DO ALL OTHER THINGS DEEMED NECESSARY OR ADVISABLE

**C. Resolution 2018-027**

RELATING TO THE PROVISION OF CERTAIN CONTINUING DISCLOSURE INFORMATION WITH RESPECT TO CANYON POWER PROJECT, REFUNDING REVENUE BONDS, 2018 SERIES A AND CANYON POWER PROJECT, REFUNDING REVENUE BONDS, 2018 SERIES B

**5. PROJECT ADMINISTRATION DIRECTOR'S REPORT**

The Director of Project Administration will report on project-related staff and agent activities. Topics include:

- Budget Comparisons as of 12/31/17
- Budget Presentation – Draft Project Budgets

**A. Project Reports**

- MPP Operations Report 03-2018
- Palo Verde Status Report 04-2018

**6. GOVERNMENT AFFAIRS REPORTS**

The Director of Government Affairs will report on the legislative and regulatory activities at the state and federal levels. Topics include discussion of proposed legislation and/or regulations potentially affecting utility operations of SPPA members, such as grid regionalization, renewable portfolio standard, cap and trade program; development of geothermal resources and other renewable resources, energy storage, energy efficiency and demand reduction programs, joint exercise of powers agreements, and utility liability issues. Specific proposed measures include:

- Renewables Portfolio Standard Program (AB 2208)
- Public Employees Retirement System; Joint Powers Agreements (AB 1912)

**A. SPPA Monthly Federal Legislative Report**

**7. ROUNDTABLE DISCUSSION**

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

**8. CLOSED SESSION**

- **Conference with Labor Negotiator:** SPPA designated representative: Michael S. Webster, Executive Director. Unrepresented employees: All SPPA staff (excluding Executive Director).
- **Security:** Consultation with Michael S. Webster, Executive Director, and Richard J. Morillo, General Counsel regarding security issues pertaining to the essential public services (water and electric service), pursuant to Section 54957 (a) of the California Government Code.

- **Public Employment:** Work review and performance evaluation of the Executive Director of the Authority pursuant to section 54957 of the California Government Code.
- **Public Employment:** Work review and performance evaluation of the General Counsel of the Authority pursuant to section 54957 of the California Government Code.
- **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).
- **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).

#### **9. STRATEGIC PLANNING SESSION (9:30 AM to 4:30 PM)**

- Introductions and overview of Strategic Planning meeting
- SCPPA performance on Strategic Objectives
- Pre-work presentation
- Open forum for GM's to discuss their strategic initiatives and issues
- Identify Priorities
- Clarify Goals and objectives
- Open forum to determine the alignment of six-month objectives to the three-year goals
- Establish timelines for completion
- Assign resources or sponsor to each objective
- Wrap up and recap

#### **10. ADJOURNMENT**

*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**

April 19  
A regular meeting of the Board of Directors was held on March 15, 2018 at the offices of the Authority,  
1160 Nicole Court, Glendora, California.

This meeting was called to order at 10:00 AM by the President.

The following Board Members (B) and Alternates (A) were present:      Dukku Lee (B), David Wright (B) Jorge Somoano (B), Kelly Nguyen (B), Stephen Zurn (B), Thomas Miller (B), Yarek Lehr (B), Todd Jorgensen (B), Vince Brar (A), Reiko Kerr (A), Daniel Garcia (A), Erik Klinkner (A), Rebecca Gallegos (A)

Staff Members present were:      Mike Webster, Richard Morillo, Russell Mills, Steve Homer, Theodore Beatty, Tanya DeRivi, Nicholas Blair, Amy Mmagu, Joanna Lopez

Attorneys, Member Employees and Consultants present were:      Stephen Cole (Norton Rose Fulbright), Yolanda Pantig (SCPPA-LA), Peter Huynh (SCPPA-LA), Benjamin Herhold (NextEra Energy)

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

Mr. Lee offered the public an opportunity to address the Board. There being no request to do so, the Board proceeded to the Consent Calendar.

**Consent Calendar**

Board Meeting Minutes from March 15, 2018

Monthly Investment Report for February 2018

**Resolution 2018-019** – Approval of an Amendment to the existing Master Professional Services Agreement with Cinnabar California, Inc.

**Resolution 2018-020** – Approval of an Amendment to the existing Master Professional Services Agreement with Itron, Inc.

**Resolution 2018-021** – Approval of an Amendment to the existing Master Professional Services Agreement with Kandela, LLC.

**Resolution 2018-022** – Approval of an Amendment to the existing Master Professional Services Agreement with Utilligent.

**Resolution 2018-023** – Approval of a Master Professional Services Agreement with TRC Energy Solutions.

**Resolution 2018-024** – Approval of an Amendment to the existing Professional Services Agreement with Alternative Energy Systems Consulting, Inc.

**Resolution 2018-025** – Approval of an Amendment to the existing Professional Services Agreement with ARUP North America, Ltd.

**Resolution 2018-028** – Request from the City of Pasadena to revise the schedule of withdrawals from its Project Stabilization Fund account as previously approved by Resolution 2017-013.

The consent calendar was approved as follows.

Moved By:           **Thomas Miller**  
Seconded By:       **David Wright**

**Unanimously Approved**

**2. Executive Director's Report**

Mr. Webster reminded the Board to register and encourage their staff to register for the 2018 SCPPA Annual Conference.

Mr. Webster noted that the Board Presentations from the Project Administrator and the Chief Financial Officer would switch order.

**STAFF REPORTS**

**3. Project Administration Director's Report**

Mr. Homer provided the Board with a brief six-month Budget Comparisons report and a look into the FY 2018-19 draft project budget estimates.

**4. Chief Financial Officer's Report**

Mr. Mills provided the Board with a draft FY2018-2019 budget presentation. Mr. Mills detailed the current budget status and identified costs as over or under budget. Mr. Mills detailed the changes to occur from the FY 2017-2018 budget to the FY 2018-2019 budget noting which items would increase or decrease and how the changes would impact the overall FY 2018-2019 budget. Mr. Mills noted the changes in several line items as a result of the CPS HR Consulting study findings, and other cost saving measures staff has identified.

Mr. Mills discussed the Canyon Power Project Series 2017 A Bond Refunding. Mr. Mills proposed refunding in two series to meet proposed savings targets. The two series would be: 2018 Series A-Fixed Rate Put Bonds, 2018 Series B-SIFMA Index Floating Rate Notes. Mr. Mill asked for Board approval on Resolution 2018-026.

Mr. Mills discussed the Canyon Power Project Bond Continuing Disclosure and asked for Board approval on Resolution 2018-027.

***Resolution 2018-026 (Project Vote – Canyon Power Project)***

Relating to the canyon power project authorizing: (L) the refunding of certain outstanding bonds; (I) the execution and delivery of (A) a seventh supplemental indenture of trust relating to the Canyon Power Project, Refunding Revenue Bonds, 2018 Series A, (B) An Eighth Supplemental Indenture of trust relating to the Canyon Power Project, Refunding Revenue Bonds, 2018 Series B, and (C) One or more purchase contracts relating to such bonds; (III) The delivery of a Preliminary Official Statement

and the execution and delivery of an Official Statement; (IV) Certain related actions; and (V) The Officers and Executive Director of the Authority to do all other things deemed necessary or advisable

***Resolution 2018-027 (Project Vote – Canyon Power Project)***

Relating to the provision of certain continuing disclosure information with respect to Canyon Power Project, Refunding Revenue Bonds, 2018 Series A and Canyon Power Project, Refunding Revenue Bonds, 2018 Series B

Member	Project Vote		
	Approve	Deny	Present, Not Voting
Azusa			X
Anaheim	X		
Banning			X
Burbank			X
Cerritos			X
Colton	.		X
Glendale			X
Imperial Irrigation District			X
Los Angeles			X
Pasadena			X
Riverside			X
Vernon	X		

Moved By: **Dukku Lee**  
Seconded By: **Kelly Nguyen**

Resolution 2018-026 and 2018-027 were approved in one motion.  
**Unanimously Approved**

**5. Government Affairs Report**

Ms. DeRivi invited the new SCPPA employees Amy Mmagu and Nicholas Blair to introduce themselves to the Board.

Ms. DeRivi discussed the terms of AB2208 bill and asked the Board for their position on the bill. The Board provided Ms. DeRivi with their position and asked that if any changes are made to the bill that she return to the Board for comment and discussion.

Ms. DeRivi discussed the status of bills currently affecting SCPPA and the positions SCPPA is currently taking on those bills. Bills include: AB813 Grid Regionalization, Public Employees Retirement System, AB 1912 Joint Powers Agreements, AB 2447 CEQA Environmental Justice AB 2693 Natural Gas-Fired Generation, SB 1440 Biomethane, SB 1076 EMP & GMDs, AB 2068 Discounted School Rates, SB 1144 Tripling Air Quality Penalties.

**6. Roundtable Discussion**

Board Members were given a two minute opportunity to bring up informational items or request that an item be added to a future Board Agenda. Board Members were also offered the opportunity to defer items to the scheduled Strategic Planning Meeting.

**7. Closed Session**

There was no closed session.

8. **Strategic Planning Session**

The regular meeting of the Board of Directors adjourned at **12:18 PM** for the Strategic Planning Session.

9. **Adjournment**

The meeting was adjourned at **4:30 PM** by the Board.

Respectfully Submitted,

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David H. Wright  
Secretary