

MINUTES OF THE AUGUST 20, 2009, MEETING OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A special meeting of the Board of Directors was held on August 20, 2009, at the Riverside Public Utilities, 3901 Orange Street, Riverside, California.

The meeting was called to order at 10:30 a.m. by President Marcie Edwards.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Marcie L. Edwards, Anaheim (M); Fred H. Mason, Banning (M); Ronald E. Davis, Burbank (M); Vince Brar, Cerritos (A); Jeannette Olko, Colton (M); Glenn O. Steiger, Glendale (M); David X. Kolk, Imperial Irrigation District (A); Leilani Johnson Kowal, Los Angeles (M); Eric Klinkner, Pasadena (A); David H. Wright, Riverside (M).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff members Phyllis Brown, Richard M. Helgeson, Steven L. Homer, Geri L. Mitchell, and David G. Walden; and Therese Savery, Manager of SCPPA Accounting.

Attorneys and consultants present included: Stephen T. Cole, Fulbright & Jaworski.

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

President Edwards afforded the public an opportunity to address the Board.

2. Approval of Minutes

Mr. Davis moved to approve the minutes of the meeting held July 16, 2009. The motion was seconded by Mr. Steiger, and unanimously approved.

3. Executive Director's Report

Mr. Carnahan referenced his written report and discussed the highlights, including the status of new project financing, the application for a grant from the Department of Energy grant for the Ice Energy Project, and plans for a strategic planning session in October.

Mr. Davis suggested hosting a reception for David Modisette, the new Executive Director of the California Municipal Utilities Association, perhaps in conjunction with the next Board meeting.

Mr. Carnahan presented Resolution No. 2009-92, authorizing collection of funds for payment of dues to the American Public Power Association on behalf of the Members. Mr. Wright moved that Resolution No. 2009-92 be approved. The motion was seconded by Ms. Olko and unanimously approved.

4. Finance and Accounting Manager's Report

Mr. Carnahan reported on the August 3, 2009, meeting of the Finance Committee, and presented the Investment Reports for the month and quarter ending June 30, 2009. The reports were received and filed.

Mr. Carnahan presented Resolution No. 2009-93, authorizing interest rate swap agreements with Barclays Bank PLC for the Magnolia Power Project. Mr. Steiger moved that Resolution No. 2009-93 be approved. The motion was seconded by Mr. Davis and approved by Project Roll Call Vote, with Vernon and Azusa absent, and Banning, Imperial, Los Angeles, and Riverside present but not voting.

Mr. Carnahan presented Resolution No. 2009-94, authorizing amendments to the Standby Bond Purchase Agreements for the Mead-Adelanto Transmission Project. Mr. Carnahan presented Resolution No. 2009-95, authorizing amendments to the Standby Bond Purchase Agreements for the Mead-Phoenix Transmission Project. Mr. Davis moved that Resolution No. 2009-94 and Resolution No. 2009-95 be approved. The motion was seconded by Mr. Wright and approved by Project Roll Call Vote, with Azusa and Vernon absent, and Cerritos and Imperial present but not voting.

Mr. Carnahan presented Resolution No. 2009-96, authorizing the renewal of the agreement with Public Financial Management for financial advisory services. Mr. Wright moved that Resolution No. 2009-96 be approved. The motion was seconded by Ms. Kowal and unanimously approved.

5. Energy Systems Manager's Report

Mr. Walden referenced his written report, which discussed efforts relating to renewables, including wind and geothermal projects, and the meetings of the Public Benefits Committee, the resource planning group, the Ad Hoc Natural Gas Committee, and the Ad Hoc Smart Grid Committee.

Mr. Walden reported on results of the Louisiana Tech study on Envirocrete, funded by Azusa through SCPPA, and gave a presentation on Smart Grid development.

Mr. Walden presented Resolution No. 2009-97, authorizing an agreement with KEMA for energy efficiency services with an updated scope of work. Mr. Wright moved that Resolution No. 2009-97 be approved. The motion was seconded by Ms. Olko and unanimously approved.

Mr. Walden presented Resolution No. 2009-98, authorizing an agreement with EnerPath Services Inc. (formerly dBase Communications Inc. dba Energy Controls & Concepts Inc.) for energy efficiency services. Ms. Olko moved that Resolution No. 2009-98 be approved. The motion was seconded by Ms. Kowal and unanimously approved.

Mr. Walden presented Resolution No. 2009-99, authorizing an agreement with Apogee Interactive Inc. for energy efficiency education content and customer education services. Ms. Kowal moved that Resolution No. 2009-99 be approved. The motion was seconded by Mr. Wright and unanimously approved.

Mr. Walden presented Resolution No. 2009-100, authorizing an agreement with Robert Lord for services relating to Natural Gas Reserves Projects. Ms. Olko moved that Resolution No. 2009-100 be approved. The motion was seconded by Mr. Davis and unanimously approved.

6. Government Affairs Manager's Report

Ms. Brown presented her written report, and discussed legislative activities in Sacramento and Washington, D.C.

7. Project Administrator's Report

Mr. Homer referenced the written reports, and updated the Board on issues at the projects, including the status of efforts to develop a legislative approach to the renewal of Hoover Upgrading Project contracts. The Board was supportive of presenting the draft bill, developed by the Contractors' Working Group, to Congress.

Mr. Homer presented Resolution No. 2009-101, approving the annual budget for fiscal year 2009/2010 for the Hoover Upgrading Project. Mr. Davis moved that Resolution No. 2009-101 be approved. The motion was seconded by Mr. Steiger and approved by Project Roll Call Vote, with Azusa and Vernon absent, and Cerritos, Imperial, Los Angeles, Pasadena, and Riverside present but not voting.

8. Adjournment

There being no further business, the meeting was adjourned at 11:59 a.m.

Respectfully submitted,

Mario C. Ignacio
Assistant Secretary