



BOARD OF WATER AND POWER COMMISSIONERS

DEPARTMENT OF WATER AND POWER OF THE CITY OF LOS ANGELES

Room 1555-H, 111 North Hope Street, Los Angeles, CA 90012



SPECIAL MEETING AGENDA

***NOTE - MEETING START TIME**

THURSDAY, JUNE 19, 2008

***8:00 A.M.**

NICK PATSAOURAS, President

EDITH RAMIREZ, Vice-President

LEE KANON ALPERT, Commissioner

WALLY KNOX, Commissioner

FORESCEE HOGAN-ROWLES, Commissioner

1. The agenda will be posted in the John Ferraro Building Lobby and outside JFB Room 1555-H at least twenty-four hours before the starting time for this special Board meeting. You may access the Board agenda and all available documents related to the items linked from the agenda on the Internet at: <http://www.ladwp.com/AboutLADWP>. Some large agreements or items received too late to post may not be viewable. You may view those documents in the Commission Office prior to or after the Board meeting.
2. The Board will provide an opportunity for members of the public to address it on items of interest that are within the subject matter jurisdiction of the Board. Thereafter, the Board will consider and take action on the Special Agenda items. Members of the public may also request to speak on any agenda item. The meeting is recorded.
3.
 - (a) Charter Section 245 empowers the City Council to assert jurisdiction over actions of all boards and commissions of the City government. As a result, this Board's actions will not be final today, but will only become final as provided by Charter Section 245.
 - (b) As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services, and activities. To ensure availability, such request should be made 72 hours in advance by contacting the Commission Office at (213) 367-1356 during business hours.
 - (c) Please NOTE that any item displayed on this agenda may be changed by Board action at the meeting or by additions/deletions made subsequent to the electronic posting of this agenda.

SPECIAL MEETING

AGENDA

THURSDAY, JUNE 19, 2008

- (A) Opening remarks by the Commission President on agenda and other items relating to Department operations, and Channel 35 broadcast announcement.
- Agreement No. 47781 with Airstreams LLC and Affiliates.
 - “E-Verify” to check workers’ social security numbers.
- (B) Report/Briefing by the Chief Executive Officer and General Manager.
- (C) Comments and/or requests from Commissioners relating to Department operations.
- (D) Opportunity for the **public** to address the Board on items of interest to the public that are within the subject matter jurisdiction of the Board. (Speakers may be limited in speaking time dependent upon the press of business and number of persons wishing to address the Board.)
- (E) Reports from Committees of the Board.
- Contracts Committee – Status of meeting held on June 19, 2008, including agreements, contracts, RFP’s and specifications discussed at the meeting.
 - Retirement Board Representative – Report on items discussed at the June 4, 2008, Retirement Board meeting.

- (F) Reports from Management concerning matters relating to Department operations.
- (1) Legislative and regulatory update.
 - Update on AB 2269 – Solar Bill
(Cindy Montanez, Special Advisor to the Chief Executive Officer and General Manager)
 - (2) Southern California Edison's Solar Photovoltaic Program.
(Aram Benyamin, Senior Assistant General Manager – Power System)
 - (3) Quarterly overtime report. (9/2/08)

FILED ITEMS

- (G-1) (Copies given Commissioners)
(From Chief Executive Officer and General Manager)
Monthly report of activities for the following units:
- (1) Financial Services Organization (April 2008).
 - (2) Internal Audit Division (May 2008).
- (G-2) (From Chief Financial Officer)
(Approved by Chief Executive Officer and General Manager)
Three communications, with attached certificates, as follows:
- (1) Showing the energy cost adjustment factor for energy to be sold during the months of July, August and September 2008.
 - (2) Showing the reliability cost adjustment factor for the period of July 1, 2008 through June 30, 2009.
 - (3) Showing the water adjustment factors for the months of July, August and September 2008.
- (G-3) (Copies given Commissioners)
(From Chief Executive Officer and General Manager)
Reports for informational purposes:
- (1) Audit Plan for 2008-2009, Internal Audit Division. (FSO)
 - (2) First Quarter 2008 Report, Payment of Fines and Penalties for Environmental Violations. (EAD)

SPECIAL MEETING

JUNE 19, 2008

REGULAR AGENDA

- (1) Resolution honoring **Wilma J. Pinder**, Assistant City Attorney, City Attorney's Office, upon her retirement.

- (2) Recommendation for approval of the **minutes** of the following meetings of the Board of Water and Power Commissioners.
 - (1) Special meeting, May 20, 2008.
 - (2) Special meeting, May 28, 2008.
 - (3) Special meeting, May 30, 2008.
 - (4) Special meeting, June 2, 2008.

- (3) (Recommended by Chief Operating Officer and Chief Information Officer)
(Approved by Chief Executive Officer and General Manager)
Resolution authorizing execution of **Los Angeles Optical Network Lease Agreement for Communications Transport Services – Video Agreement No. FO-536-05/2008** with **CBS Studios, Inc.**, to grant to CBS Studios the use of certain components of LADWP's fiber optic network. This lease will generate \$72,000 in annual revenue, and has an initial term of one year, which will automatically renew each year up to the fifth anniversary.

- (4) (Recommended by Chief Operating Officer and Chief Information Officer)
(Approved by Chief Executive Officer and General Manager)
Resolution authorizing execution of **Short Form IRU-03 Lease Agreement No. FO-538-05/2008** with **Technicolor Creative Services USA, Inc.**, to grant to Technicolor Creative Services USA the use of certain components of LADWP's fiber optic network between 6040 West Sunset Boulevard, Los Angeles and 600 West 7th Street, Los Angeles. This agreement will generate a minimum gross revenue of \$118,240 over the initial two-year term.

- (5) (Recommended by Chief Operating Officer and Chief Information Officer)
(Approved by Chief Executive Officer and General Manager)
Resolution authorizing execution of **Optical Fiber Lease Agreement No. 528-04/2008; Short Form IRU-01 Lease Agreement No. FO-529-04/2008; and Short Form IRU-02 Lease Agreement No. FO-530-04/2008** with **Qwest Communications Corporation**, to grant to Qwest Communications Corporation the use of certain components of LADWP's fiber optic network. These leases will generate a minimum gross revenue of \$666,329 over the initial three-year term, and a maximum gross revenue of \$1,097,215 if the full five-year term is realized.
- (6) (Recommended by Chief Administrative Officer)
(Approved by Chief Executive Officer and General Manager)
Resolution approving **Amendment No. 3** to the **2007-2008 Annual Personnel Resolution** (Resolution No. 008-014, adopted by this Board on July 3, 2007), to add 26 new substitute Electrical Mechanic (Trainee) positions to the Power Safety and Training Division.
- (7) (Recommended by Senior Assistant General Manager – Power System)
(Approved by Chief Executive Officer and General Manager)
Resolution authorizing execution of **Agreement No. 47335-8** with the **Southern California Gas Company**, to provide LADWP with continued natural gas storage service for the period of April 1, 2008 through March 31, 2009.
Council approval is required.
- (8) (Recommended by Senior Assistant General Manager – Power System)
(Approved by Chief Executive Officer and General Manager)
Resolution authorizing execution of **Agreement No. 47726-8** with **Osмосe, Inc.**, to provide maintenance services for the Osмосe FastGate Gateway for the LADWP Power System's Electric Trouble System. Expenditures will not exceed \$1,476,300 for a term of three years, with four one-year renewable options. (This action rescinds a previous action of this Board on March 18, 2008.)
Council approval is required.
- (9) (Recommended by Chief Administrative Officer)
(Approved by Chief Executive Officer and General Manager)
Resolution authorizing execution of **Amendment No. 1** to **Agreement No. 49062-8 (new Agreement No. 47787)** with **ScottMadden, Inc.**, to increase the expenditure limit of the agreement by \$335,000, from \$144,500 to \$479,500, and increase the scope of services, to provide consulting services for the support of recommended actions of the Supply Chain Transformation Project.

- (10) (Recommended by Chief Administrative Officer)
(Approved by Chief Executive Officer and General Manager)
Three resolutions authorizing execution of **Amendment No. 1 to Agreements** to provide security services at LADWP facilities. These Amendments extend the term of the agreements by nine months beginning July 1, 2008, and ending March 30, 2009, with a not-to-exceed amount of each amendment of \$1,200,000 for the extension term. Agreements are as follows:
- (1) Agreement No. 49078-8 with AKAL Security, Inc.
 - (2) Agreement No. 49079-8 with The Wackenhut Corporation.
 - (3) Agreement No. 49080-8 with World Private Security, Inc.
- (11) (Recommended by Chief Financial Officer)
(Approved by Chief Executive Officer and General Manager)
Resolution approving a **Debt Management Policy** to establish guidelines for the issuance and management of LADWP's debt.
- (12) (Recommended by Chief Administrative Officer)
(Approved by Chief Executive Officer and General Manager)
Spec. No. 855 for Barrel-Lock and Ring Assemblies. Award to **DEWALCH TECHNOLOGIES, INC.**, for an amount not to exceed \$1,344,939.00 for a term of one year, with two optional one-year extensions.
- (13) (Recommended by Senior Assistant General Manager – Power System)
(Approved by Chief Executive Officer and General Manager)
Spec. No. 900 for Polarization Cell Replacement. Award to **DAIRYLAND ELECTRICAL INDUSTRIES, INC.**, for an amount not to exceed \$2,286,880.00 for a term of one year, with two optional one-year extensions.
- (14) (Recommended by Chief Administrative Officer)
(Approved by Chief Executive Officer and General Manager)
Spec. No. 981 for Electrical Materials and Supplies. Award to the following vendors for a term of 44 months:
- **ASSOCIATED OF LOS ANGELES**, for a piggyback on the City of Los Angeles, General Services Department (GSD) Contract No. 58695, for an amount not to exceed \$43,836,540.00.
 - **ALL PHASE ELECTRIC SUPPLY CO.**, for a piggyback on GSD Contract No. 58696, for an amount not to exceed \$2,028,290.00.
 - **ONESOURCE DISTRIBUTORS**, for a piggyback on GSD Contract No. 58697, for an amount not to exceed \$14,874,000.00.
 - **ROYAL WHOLESALE ELECTRIC**, for a piggyback on GSD Contract No. 58698, for an amount not to exceed \$3,380,502.00.
 - **METROPOLITAN ELECTRICAL**, for a piggyback on GSD Contract No. 58699, for an amount not to exceed \$3,380,502.00.

- (15) (Recommended by Chief Operating Officer and Chief Information Officer)
(Approved by Chief Executive Officer and General Manager)
Spec. No. 7176 for Digital Microwave Radio Equipment. Award to **HARRIS STRATEX NETWORKS & OPERATIONS CORPORATION**, for an amount not to exceed \$1,404,125.00. This contract will not exceed a period of two years.
- (16) (Recommended by Chief Administrative Officer and Senior Assistant General Manager – Power System)
(Approved by Chief Executive Officer and General Manager)
Spec. No. N-7193 for Combustion Parts, Hot Gas Path Parts and Related Accessories for General Electric Model MS-7241FA+e. Award to **GENERAL ELECTRIC INTERNATIONAL, INC.**, for an amount not to exceed \$14,328,706.00. This contract will not exceed a period of one year.
- (17) (Recommended by Chief Operating Officer and Chief Information Officer)
(Approved by Chief Executive Officer and General Manager)
Contract No. 775 Recommendation for Amendment (Amendment No. 1) for Radios, 900 MHz Smartnet II Trunked, Mobile and Portable and Related Accessories. Award to **MOTOROLA, INC.**, to increase the contract total by \$350,000.00 to a total of \$945,976.00.
- (18) (Recommended by Director of Budget, Rates and Efficiency)
(Approved by Chief Executive Officer and General Manager)
Three resolutions in connection with LADWP's budget:
- (1) Authorizing adoption of the Annual Departmental Budget for Fiscal Year 2008-09, **Power Revenue Fund**, and approving for transmittal the budget of the Water and Power Employees' Retirement, Disability and Death Benefit Insurance Plan, Fiscal Year 2008-09.
 - (2) Authorizing adoption of the **Public Benefits Program** budget for Fiscal Year 2008-09 through December 31, 2011.
 - (3) Authorizing adoption of the Annual Departmental Budget for Fiscal Year 2008-09, **Water Revenue Fund**, and approving for transmittal the budget of the Water and Power Employees' Retirement, Disability and Death Benefit Insurance Plan, Fiscal Year 2008-09.

(19)

The Board shall recess to **closed session** in Room 1559 for a conference with legal counsel regarding:

A. Existing litigation in the following matters:

- 1) City of Los Angeles v. All Persons Interested In The Matter of the Validity of the Transfer of \$29,931,300 From Water Revenue Fund to the Reserve Fund (Fiscal Year 2006-2007), Los Angeles Superior Court Case No. BC369238, pursuant to subdivision (a) of Section 54956.9 of the California Government Code.
- 2) Lucille Estes, John Gail, and Robert Bergerson, as individuals and on behalf of all others similarly situated v. City of Los Angeles Department of Water and Power, a public entity, et al., Los Angeles Superior Court Case No. BC364522, pursuant to subdivision (a) of Section 54956.9 of the California Government Code.
- 3) Merco Construction Engineers, Inc. v. City of Los Angeles, et al. and related cross actions, Los Angeles Superior Court Case No. LC 075107, pursuant to subdivision (a) of Section 54956.9 of the California Government Code.
- 4) Federal Insurance Company v. Los Angeles Department of Water and Power, Los Angeles Superior Court Case No. SC095227, pursuant to subdivision (a) of Section 54956.9 of the California Government Code.
- 5) Fireman's Fund Insurance Company v. Los Angeles Department of Water and Power, Los Angeles Superior Court Case No. SC095871, pursuant to subdivision (a) of Section 54956.9 of the California Government Code.

B. Anticipated litigation in the following matter:

- 1) Discussion regarding initiation of litigation (2 cases), pursuant to subdivision (c) of Section 54956.9 of the California Government Code.

The Board shall publicly report any action taken in closed session and the vote or abstention of every member present thereon, in accordance with Section 54957.1 of the California Government Code.