

The meeting was held at 1:00 p.m. on Tuesday, November 13, 2014 at the Clark County Commission Chambers, 500 South Grand Central Parkway, Las Vegas, Nevada.

COMMISSIONERS IN ATTENDANCE

Chairman	George F. Ogilvie III
Commissioner	Bob Coffin
Commissioner	J. Brin Gibson
Commissioner	Duncan R. McCoy
Commissioner	Puoy K. Premsrirut
Commissioner	Steve Sisolak

COMMISSIONER IN ATTENDANCE VIA TELECONFERENCE

Vice Chairman	Berlyn D. Miller
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DEPUTY ATTORNEYS GENERAL

Special Counsel, Attorney General	Jennifer T. Crandell
Special Counsel, Attorney General	Ann C. Pongracz

COMMISSION STAFF IN ATTENDANCE

Executive Director	Jayne Harkins, P.E.
Deputy Executive Director	James D. Salo
Assistant Director of Engineering and Operations	Robert D. Reese
Manager, Energy Services	Gail A. Bates
Manager, Hydropower Program	Craig N. Pyper
Assistant Hydropower Program Manager	Lisa M. Ray
Hydropower Program Specialist	Sarah Ritchie
Natural Resource Analyst	Jason Thiriot
Natural Resource Analyst	Warren Turkett
Senior Accountant	Gail L. Benton
Senior Energy Accountant	Richard M. Sanders
Senior Energy Accountant	Kalora E. Snyder
Office Manager	Judy K. Atwood
Administrative Assistant III	Carol L. Perone

OTHERS PRESENT; REPRESENTING

California Energy Markets	John Edwards
City of Henderson	Suzette Wheeler
City of Las Vegas	Brian McAnallen
City of Las Vegas	Charles Trushel
Congressman Heck's Office	Andrew Turcaz
Consultant	Sandra Fairchild
Consultant	Sara A. Price, Esq.

OTHERS PRESENT; REPRESENTING (Continued)

Mt. Wheeler
NV Energy
Overton Power District No. 5
Overton Power District No. 5
Senator Reid's Office
Southern Nevada Water Authority
U.S. Bureau of Reclamation

Randy Ewell
Douglas Brooks
Mendis Cooper
Terry Romero
Vinny Spotleson
Scott Krantz
Larry Karr

**COLORADO RIVER COMMISSION
OF NEVADA
MEETING OF NOVEMBER 13, 2014**

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The Colorado River Commission meeting was called to order by Chairman Ogilvie at 1:07 p.m. followed by the pledge of allegiance.

A. Conformance to Open Meeting Law.

Executive Director Jayne Harkins confirmed that the meeting was in compliance with the Open Meeting Law.

B. Comments from the public. (No action may be taken on a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken.)

Chairman Ogilvie asked if there were any comments or questions from the public. There were none.

Chairman Ogilvie stated that Item D was a public hearing and meeting attendees were informed that the general public would have the opportunity to speak regarding Agenda Item D during the public hearing. Attendees wishing to speak during the public hearing were instructed to sign the attendance sheet located at the back of the room.

Chairman Ogilvie asked if Vice Chairman Miller was participating in the meeting via teleconference.

Commissioner Miller confirmed he was on the teleconference line.

C. For Possible Action: Approval of minutes of the October 14, 2014 meeting.

Commissioner McCoy moved for approval of the minutes. The motion was seconded by Commissioner Gibson and approved by a unanimous vote.

D. For Possible Action: Public Hearing on the proposed Allocation Criteria for marketing Nevada's share of Hoover Schedule D electric power in accordance with the Hoover Power Allocation Act of 2011 (HPAA), Nevada Revised Statutes (NRS) Chapter 538 and section 704.787, Nevada Administrative Code (NAC) Chapter 538, and Nevada's Open Meeting Law contained in NRS 241.

Ms. Harkins introduced Agenda Items D and E together. Agenda Item D is a public hearing on the proposed Allocation Criteria for marketing Nevada's share of Hoover Schedule D electric power in accordance with the Hoover Power Allocation Act of 2011 (HPAA), Nevada Revised Statutes Chapter 538 and section 704.787, Nevada Administrative Code Chapter 538, and Nevada's Open Meeting Law contained in Nevada Revised Statutes 241.

Agenda Item E is consideration of and possible action to adopt the proposed Allocation Criteria for marketing Nevada's share of Hoover Schedule D electric power in accordance

with HPAA, Nevada Revised Statutes Chapter 538 and section 704.787, Nevada Administrative Code Chapter 538, and Nevada's Open Meeting Law contained in NRS 241.

Ms. Harkins stated that the two Items are related; and that Staff recommends that the Commission, in Agenda Item D, conduct a hearing on the proposed Allocation Criteria.

Chairman Ogilvie reminded the public that attendees wishing to address the Commission during the public hearing portion after this agenda item should sign the sheet located in the back of the room, and that speakers would be called up in just a few moments.

Ms. Harkins confirmed that the public hearing was noticed and posted in conformance with the Open Meeting Law.

Chairman Ogilvie asked if there were any members of the general public who would like to address the Commission relative to the Allocation Criteria that was posted. There were none.

Commissioner Sisolak asked if the e-mailed comments from Aaron Baker, City of Mesquite, will be part of the record.

Chairman Ogilvie confirmed that the e-mailed comments will be incorporated.

A copy of the e-mail from Aaron Baker was attached and made a part of the minutes (See Attachment A.)

Ms. Harkins stated yes and that the Errata Sheet would be incorporated as well.

A copy of the Errata Sheet was attached and made a part of the minutes (See Attachment B.)

Ms. Harkins provided a presentation on the procedural steps undertaken to develop the Allocation Criteria.

A copy of the presentation was attached and made a part of the minutes (See Attachment C.)

Ms. Harkins reminded the Commission that in the Western Area Power Administration's (Western's) formula process, if the host utility was receiving hydropower, then some entities, including the City of Mesquite, were not eligible to receive an allocation, because the Overton Power District No. 5 had a larger percentage share of hydropower than what the City of Mesquite would obtain.

Ms. Harkins reviewed the Errata Sheet which corrected a reference in the application form in section 2, retail end-use applicant data under B. The reference there to "3-C" was

corrected to read “2-C”. Staff recommended including the Errata Sheet when the Commission considered a motion for approval.

Chairman Ogilvie asked for clarification if the motion would be under Agenda Item E.

Ms. Harkins stated yes, that would be under Agenda Item E and should include the Errata Sheet.

Chairman Ogilvie stated that, following the presentation, the Commission would open the hearing for public comments from members of the public who would like to address the Commission relative to the procedural steps taken and/or the proposed allocation outlined by the Executive Director. No one came forward to make public comments, and the public comment period closed.

Chairman Ogilvie asked if there were any comments or questions from the Commission members.

Commissioner Coffin inquired about the schedule of possible allottees discussed during the October 14, 2014 Commission meeting.

Ms. Harkins clarified that Western’s process was discussed at the October 14, 2014 Commission meeting. Staff provided the proposed allocation list and the amount of power that Western was proposing to allocate to applicants in their process for allocating the 69 megawatts.

Commissioner Coffin stated okay.

Ms. Harkins stated the process discussed today is for the Commission's 11 and one-half megawatts.

Commissioner Coffin asked if the Commission will also see some of the same applicants who applied in the Western allocation process.

Ms. Harkins replied, yes. Once the Commission has approved the Allocation Criteria and the application form, Staff will distribute the form to the interested entities on the Commission’s e-mail list and see which applicants respond in our process.

Commissioner Coffin asked if Western has followed through on that list, has Western allocated anything yet.

Ms. Harkins stated Western has not issued their final Federal Register Notice. By the federal statute, HPAA, Western will need to take final action on its proposed allocations by the end of this year.

Commissioner Coffin commented that what attracted attention on Western’s list was that casinos were not listed.

Ms. Harkins stated that federally recognized tribal governments were listed and Staff is presuming that some tribal allocations may be used for casinos.

Commissioner Coffin asked if Tribes will be considered eligible in the Commission allocation process.

Ms. Harkins stated that applications from entities in Nevada that have loads within the Hoover marketing area will be eligible. There are several tribes that could apply to the Commission, if the tribes are willing to accept the criteria that Staff proposed; and Staff will need to consider that in the application process.

Commissioner Coffin stated that gambling is not mentioned in the proposed criteria and asked how do we avoid that sort of thing? Staff has not said those entities cannot apply. How does the Commission avoid allocating power to an entity that may use it in a casino or a casino-related venture like a smoke shop?

Ms. Harkins stated Staff has included in the Draft Order that the Commission's authorizing statute, NRS 538, requires the Commission to consider what allocations would be "for the greatest possible benefit to this State." Even though an applicant may be on the list, the Commission will need to consider, and tell Staff, if allocation to an applicant is in the best interest of the State as compared to the other applicants.

Commissioner McCoy stated that in the proposed Allocation Criteria it indicates in "no particular order". Does Staff conceive developing a rating scale or some way of assigning a point value to some or all of these various allocation criteria so that the Commission can do the score sheet on the application; or will a subjective decision be made based on all of those that we individually think are the most important when considering the applications? How will the process work in the reality of the examining of the application list?

Ms. Harkins stated that Staff has not proposed a rating system or a priority system. If the Commission would like Staff to review the proposed Allocation Criteria and do something like that, Staff could do that. Staff felt that might get into the more formulaic process that Western used, which was not supported by some of the Nevada applicants that were in Western's process, and these applicants did not want the Commission to do the same type of formulaic process. Staff has not done in that in the proposal here. Staff can if the Commission would like, bring back a proposed Allocation Criteria which allows for a rating scale, or similar process.

Commissioner McCoy stated that the subjective approach could possibly work better with a smaller number of applicants than if the Commission ends up with dozens and dozens of applicants.

Ms. Pongracz stated the Commission will be provided, under the regulations approved earlier this year, with a draft order prepared by Staff making recommendations about the

allocations. The Commission will have not only the list of the applicants but also Staff's recommendations on which applications best meet the criteria at the next phase of the proceedings. The Commission will have these recommendations from Staff.

Commissioner Sisolak asked if NV Energy weighed in on the proposal and if there is someone present from NV Energy.

Ms. Harkins replied yes, there is someone here from NV Energy. Staff worked closely with NV Energy during the last Legislative Session to change NRS 704.787 to enable the Commission to provide service to new customers which receive Schedule D allocation. NV Energy requested some changes, including the one megawatt minimum that is seen in the criteria now. Staff worked through some of those issues and will still continue to work with NV Energy. NV Energy needs to develop a tariff for those entities who receive an allocation within their services area; and Staff is working with them on that as well.

Commissioner Sisolak asked if NV Energy is going to speak at any of these other proposed allocation hearings or not.

Ms. Harkins stated that she did not know.

Ms. Pongracz stated that NV Energy has been provided with notice of the proposed Allocation Criteria and had the opportunity to comment. As Ms. Harkins pointed out, there is a representative here today and who did not choose to comment at this time.

Commissioner Sisolak stated that is fine, if they do not choose to comment. He was inquiring since NV Energy is the provider to our residents, so to speak, if they had comments or they did not.

Mr. Douglas Brooks Assistant General Counsel with NV Energy addressed the Commission. Mr. Brooks stated that he has worked on this matter since the original Assembly Bill in the last Legislative Session and that he is familiar with it. He has participated in meetings with the Staff of the Commission. NV Energy chose not to file comments at this stage of the proceeding. Putting together this selection criteria, as long as it met the general directives of the federal and state law, NV Energy felt was something vested best in the Staff's and the Commission's discretion. There is one item in the criteria that NV Energy will probably want to follow-up with Staff on; but determined not to file comments. NV Energy does not mean to slight the process or the procedure; and has been able to participate and is content with how the process has been handled.

Commissioner Gibson stated that he was made aware recently of a client interest in the way the criteria were developed, and as a result is going to abstain on these two Agenda Items.

Chairman Ogilvie asked if there were any other questions or comments related to Agenda Item D. There were none.

Chairman Ogilvie closed the public hearing on the proposed Allocation Criteria for marketing Nevada's share of Hoover Power Schedule D.

E. For Possible Action: Consideration of and possible action to adopt the proposed Allocation Criteria for marketing Nevada's share of Hoover Schedule D electric power in accordance with the Hoover Power Allocation Act of 2011 (HPAA), Nevada Revised Statutes (NRS) Chapter 538 and section 704.787, Nevada Administrative Code (NAC) Chapter 538, and Nevada's Open Meeting Law contained in NRS 241.

Chairman Ogilvie asked if there were any comments or questions from the Commission members other than what was mentioned under Agenda Item D. There were none.

Chairman Ogilvie opened Agenda Item E for public comment by any members of the public who would like to address the Commission prior to the Commission taking action on the possible adoption of the proposed Allocation Criteria. There were none.

Chairman Ogilvie closed the public comment period.

Commissioner Coffin moved for approval to adopt the proposed Allocation Criteria set forth in the Draft Order for marketing Nevada's share of Hoover Schedule D electric power in accordance with the Hoover Power Allocation Act of 2011, Nevada Revised Statutes Chapter 538 and section 704.787, Nevada Administrative Code Chapter 538, and Nevada's Open Meeting Law contained in NRS 241, as amended by the Errata Sheet. The motion was seconded by Commissioner Premsrirut and approved by Chairman Ogilvie, Vice Chairman Miller, and Commissioners Coffin, McCoy, Premsrirut, and Sisolak. Commissioner Gibson abstained from the vote.

The proceedings were concluded at 1:29 p.m.

F. For Possible Action: Consideration of and possible action to set the amount of collateral for the Colorado River Commission of Nevada's (Commission's) retail industrial customers located near Henderson, Nevada. Those customers are required to post acceptable collateral for calendar year 2015 pursuant to their contracts with the Commission and applicable statutes and regulations.

Craig N. Pyper, Hydropower Program Manager, briefed the Commission on setting the amount of collateral for the Commission's retail industrial customers located near Henderson, Nevada. Those customers are required to post acceptable collateral for calendar year 2015 pursuant to their contracts with the Commission and applicable statutes and regulations.

NRS 538.181(2) requires that each of the Commission's power customers, except a federal or state agency or political subdivision, provide an indemnifying bond or other collateral approved by the Nevada State Board of Examiners "in such sum and in such manner as the commission may require, conditioned on the full and faithful performance" of their power contracts. Accordingly, every contract by which the Commission sells power to the retail customers who are subject to the requirements of this statute contains provisions requiring collateral in the form of a letter of credit, cash deposit or other approved collateral.

NAC 538.744 requires the Commission to conduct an annual review of the creditworthiness of its retail industrial customers during October of each operating year. Based on that review, the Commission establishes the amount and prescribes the manner in which each customer is required to furnish collateral pursuant to its contracts with the Commission.

NAC 538.744 provides that "[i]n no case will the amount of collateral established by the Commission be less than one-fourth of the contractor's gross annual purchases" and, provides further that the amount of the required collateral may be greater than this minimum where necessary to protect the State from potential loss. "Gross annual purchases" is defined in the regulation as "the total amount of a contractor's actual purchases of power, transmission and other related services, if any, under all its contracts with the commission, invoiced by the commission during the test period," that is, "the 12 consecutive months immediately preceding the month containing the date of review." Given the present date of review as October 1, 2014, the test period runs from October 1, 2013, through September 30, 2014.

Staff continuously monitors the payment history, stock value and credit rating of the affected customers and reviews the financial press for information that may be of value in determining their credit risk. Staff also reviews past loads and purchases and considers estimated future power requirements based on customers' estimated loads. Based on its evaluation of this data, Staff has concluded that the creditworthiness of these customers warrants a recommendation that the Commission adjust and set the respective amounts of their required collateral to the minimum allowable by NAC 538.744 as reflected below.

To determine the collateral required of each industrial customer for Calendar Year 2015, Staff calculated 25 percent of that customer's Adjusted Gross Annual Purchases during the test period, October 1, 2013, through September 30, 2014, reflecting actual purchases during the test period. The results are as follows:

	Adjusted Gross	Proposed Collateral	Present	Increase or Decrease
Customer	Annual Purchases*	25%	Collateral	Of Present Collateral
	10/1/13 through 9/30/14	of previous column		
American Pacific Corporation*	\$3,261,154.02	\$815,288.51	\$715,445.53	\$99,842.98
Basic Water Company*	\$948,458.81	\$237,114.70	\$201,005.54	\$36,109.16
Lhoist North America, Inc.*	\$59,239.32	\$14,809.83	\$14,403.53	\$406.30
Tronox, LLC*	\$1,803,172.10	\$450,793.03	\$466,571.19	(\$15,778.16)
Olin Chlor Alkaline Products*	\$11,873,002.52	\$2,968,250.63	\$2,251,737.54	\$716,513.09
Titanium Metals Corporation*	\$12,248,376.65	\$3,062,094.16	\$2,293,921.86	\$768,172.30
Total	\$30,193,403.42	\$7,548,350.86	\$5,943,085.19	\$1,605,265.67

*The “Gross Annual Purchase” is based on the total Monthly Invoices plus the total Parker-Davis Advance Fund Invoices and then adjusting for the following: 1) Collateral Credit/Refund is added back into the invoice totals.

Commissioner Gibson stated he is abstaining from voting on this item due to a client interest.

Commissioner McCoy moved for approval to set the amount of collateral for the Colorado River Commission of Nevada’s retail industrial customers located near Henderson, Nevada. The motion was seconded by Commissioner Coffin and approved by a unanimous vote of the remaining Commissioners. Commissioner Gibson abstained from the voting on this item.

G. For Possible Action: Consideration of and possible action on award of Contract No. CRCPDP-301 for the procurement of Tubular Steel Structures and Transmission Components for the Boulder City Bypass T-Line Modifications Project.

Robert D. Reese, Assistant Director of Engineering and Operations, presented Contract No. CRCPDP-301 for the procurement of Tubular Steel Structures and Transmission Components for the Boulder City Bypass T-Line Modifications Project.

The Nevada Department of Transportation initiated a highway improvement project identified as the Boulder City Bypass Project-Phase 1 on State Highway 93/95 in the

Railroad Pass area. Phase 2 of this project, which is being administered by the Regional Transportation Commission of Southern Nevada (RTC), requires that certain adjustments, removals and replacements of its existing facilities will have to be made to utility facilities owned by the Commission; specifically, the Commission will adjust and/or relocate the overhead Electrical Mead-Eastside/Equestrian #2 Transmission Line between existing structure 6/3 and existing structure 7/3, remove its existing facilities within these limits, and replace them outside these limits within a new right-of-way provided by the RTC.

On May 20, 2014, the Commission and the RTC entered into “Agreement for the Adjustment of Utility Facilities for the I-11 Boulder City Bypass Design-Build Project – Phase 2” in which the RTC agreed to reimburse the Commission for costs associated with the construction and administrative engineering support for the relocation project.

The upcoming construction project to relocate the Commission’s transmission facilities requires the procurement of steel structures and other components for that project. On September 16, 2014, Contract No. CRCPDP-301 for the procurement of Tubular Steel Structures and Transmission Components was released for bid. By bid closing the Commission had received four bids. The bid amounts are shown below.

Bidder Name	Bid Amount
HD Supply Power Solutions	\$815,529.99
M.D. Henry Company, Inc.	\$1,078,954.00
WESCO Distribution, Inc.	\$1,095,301.62
DIS-TRAN Packaged Substations, LLC	\$1,246,525.00

The Commission’s staff has evaluated the bids based on price, proposed products, delivery schedules, proposed warranties, bidder exceptions and other related factors. The evaluation determined that the HD Supply Power Solutions’ bid was the lowest responsive bid. Staff therefore recommended award of Contract No. CRCPDP-301 for the procurement of tubular steel structures and transmission components to HD Supply Power Solutions. Staff requested contract authority of \$897,082.98 which includes a 10 percent contingency for quantity adjustments and change orders.

Commissioner Gibson asked what items account for the nearly \$300,000.00 differential between the bidders.

Mr. Reese stated that the highest bidder DIS-TRAN Packaged Substations, LLC (DIS-TRAN), is extremely busy. The company put a factor on the bid to reflect the additional staff they would need if DIS-TRAN is the successful bidder, to meet the Commission’s deadlines.

When compared to the next lowest bidder, there is about a \$200,000.00 difference which is based on inventory and the relationship that the company has with its vendors, and the ability to secure the material and deliver on time.

Commissioner Sisolak asked if local labor will be used to deliver the materials. Mr. Reese stated that this is a material bid contract. Each company bidding on this contract has different manufacturers and vendors that will be used to secure the material. Mr. Reese said to his knowledge none of the components are manufactured locally.

Commissioner Sisolak stated that he is not talking about the components, and asked if the company is using local labor to perform the functions.

Mr. Reese asked if Commissioner Sisolak is referring to the construction contract to install the material that will be considered by the Commission at a future meeting.

Commissioner Sisolak stated yes.

Mr. Reese stated that the construction contract has been listed in accordance with public works standards, and that local contractors have participated in the mandatory pre-bid meeting that Staff held on the construction contract in early November. At this time, it is not known whether the local companies will be awarded the contract, but local contractors are participating in the process.

Chairman Ogilvie asked Commissioner Sisolak if he understood this is just a procurement of materials contract.

Commissioner Sisolak stated yes. Before Staff goes too far with the next step it should be noted that the Commission wants local labor to be considered.

Mr. Reese stated that Staff would also like to have a contractor with a local presence. It is in the agency's best interest when it is available, as it is easier to establish a working relationship with a local contractor. Being a competitive bid, Staff has advertised and placed this RFP in all the plan rooms for eight weeks prior to the bid closing. Staff also encourages local contractors by giving a 5% bid preference. If the business meets all of the qualifications and pays taxes in the State of Nevada a 5% bid preference is allowed. Staff does encourage local contractors to participate in the Commission's projects. This process goes back to spring of 2014 when the Commission approved an agreement that was signed with the RTC for the design process of the project, the next step is the procurement of materials; and the last step will be the contract for construction, which is the labor portion of this contract.

Commissioner Sisolak stated that he does not know how many trucks of material this is or how much volume; and whether a Nevada trucking company will be used to deliver the materials. He just wanted to know if any courtesy is paid to try and get local presence in the delivery part.

Mr. Reese stated that the method of delivery typically is left to the vendor. For example, a lot of material will come from the East, and the method of delivery is left up to the successful bidder which will deliver the material to the construction location here in

Nevada. Some material will arrive prior to the construction contract being awarded; and there is a local contractor on site that does the unloading and storage of the material. Commissioner Sisolak stated that is good.

Commissioner Coffin stated when Mr. Reese said due to the aggressive schedule some vendors would not be able to perform, but in thinking in terms of these kinds of things where you are not building but ordering and shipping, would all of the vendors have the same obstacles? In other words, are the same parts being provided by all the vendors?

Mr. Reese stated that Staff does have a defined time schedule that the vendors have to meet. This schedule did not hinder any of the vendor bids on this particular project. No vendors were disqualified because they could not meet this schedule. There is enough time allowed in the contract to provide the material in a reasonable time frame.

Commissioner Coffin stated it appears that the line item response from the other vendors is not available and asked if they are using Hubble parts. As an example, HD Supply Power Solutions is using Hubble parts which are standardized. Would the other companies also use Hubble parts?

Mr. Reese stated absolutely; as a matter of fact, there is a very detailed list of what the vendors have to provide. There is not a wide variance of material and manufacturers to choose from.

Commissioner Coffin stated the response includes what was asked for; and queried on how much difference in the price of these parts, since the vendors are acting as wholesalers, was there between each bid. Was there a larger mark-up on the price of the parts, or was it another component of the response that led to the large variance in prices?

Mr. Reese replied no; the difference is in the components. Different vendors have different relationships with manufacturers. Some vendors may have more material on hand than others; but the bid schedule and the line items in the briefing material is apples to apples. Every vendor has to bid on those line items. When Staff does the evaluation it is line-to-line, some may be higher than others, but that is up to the discretion of the contractor.

Commissioner Coffin asked if, when Staff was reviewing the bids, did Staff look line-to-line to see if some vendors were charging a couple bucks more per unit, and causing their bids to be higher than the other vendors' bids.

Mr. Reese stated that is correct. Staff wanted to ensure the same components that are in the field today will be used when the new line is built. The components have to comply with the standards applied to the components currently on the transmission line. The specifications require that the exact components required for this project are received.

Commissioner Coffin asked whether that freezes out some suppliers because a certain manufacturer is specified.

Mr. Reese stated it does not.

Commissioner Sisolak stated to clarify this is a sole source provider but a multi-source distributor.

Mr. Reese stated that he would not say sole source. Staff is looking for the vendor to provide the necessary components, steel structures, and transmission components; the vendor will be obligated to provide those materials for this project.

Commissioner Sisolak said that he thought Mr. Reese said that the vendor had to provide the exact materials that are currently at the site now.

Mr. Reese stated the exact components. That is correct. Staff would like to match the existing standards so a sub-par component that has not been preapproved for this project would not be provided.

Commissioner Sisolak stated in procurements like this, it is unusual that there is a 30% difference in bids when it is for the same items. It is not labor, it is not profit, it is just the product; it is unusual to have that big of a discrepancy. The bid between two and three is an example of what would be usual, but the other two are just way out of whack.

Mr. Reese stated the highest bidder DIS-TRAN, was asked about the discrepancy in price. Staff was advised it is more of a scheduling issue for DIS-TRAN. DIS-TRAN is extremely busy right now and put in a higher overhead to be able to provide materials, to reflect additional staff that may be needed. The lowest evaluated bid to the next comparable bid puts it in the ballpark. When there is a discrepancy with a wide range of numbers, Staff looks closely at the materials list, and ensures that the lowest bidder has filled out all of the components and that there is nothing missing. The last thing Staff wants is an abundance of change orders in this project. Staff looked very closely line by line and every line was filled in.

Commissioner Sisolak stated the second bid is 30% more than the first one. When you compare those, it is 50% more to the highest bid.

Mr. Reese stated the next lowest bid, M.D. Henry Company Inc., is located in the East, and has a different presence. HD Supply Power Solutions is an Arizona company, and has a major presence facilitating material for the local utilities, for example NV Energy. HD Power Supply Solutions is aware of the material, and what is on hand, and is a qualified bid.

Commissioner Gibson moved for approval to award of Contract No. CRCPDP-301 for the procurement of Tubular Steel Structures and Transmission Components for the Boulder City Bypass T-Line Modifications Project. The motion was seconded by Commissioner McCoy and approved by a unanimous vote.

H. For Information Only: Status update on the hydrologic conditions, drought, and climate of the Colorado River Basin, Nevada's consumptive use of Colorado River water, and other developments on the Colorado River.

Vice Chairman Miller disconnected from the meeting.

Warren Turkett, Natural Resource Group Analyst, provided a report on the following:

- Unregulated Inflow into Lake Powell
- Storage Conditions
- Reservoir Storage as of November 11, 2014
- Lake Powell End of Month Elevations Based on October 2014, 24-month Study
- Lake Mead End of Month Elevation Projections
- Precipitation – Colorado River Basin as of November 10, 2014
- Colorado Basin Above Lake Powell 118 Sit Group
- U.S. West Drought Monitor
- U.S. Seasonal Drought Outlook
- Monthly Precipitation for October 2014
- Monthly Precipitation, Las Vegas, NV as of October 31, 2014
- Cumulative Precipitation, Las Vegas, NV as of October 31, 2014
- Water Use in Southern Nevada

A copy of the report is attached and made a part of the minutes. (See Attachment D.)

Jason Thiriot, Natural Resource Group Analyst, briefed the Commission on the High Flow Experiment at Glen Canyon Dam and Balance of Competing Interests. Presentation slides included in Attachment D.

Jennifer Crandell, Special Counsel, Attorney General, provided an update on the Navajo Nation v. U.S. Department of Interior case. In July the Navajo Nation filed with the District Court asking the court to set aside the judgment so that the Navajo Nation could amend their complaint. On October 1, 2014, the court issued an order denying the motion. In the interim, the Navajo Nation perfected their appeal in the Ninth Circuit Court of Appeals. The Ninth Circuit Court has exempted the Commission from remediation, so the appeal is moving forward.

I. Comments from the public. (No action may be taken on a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken.)

Chairman Ogilvie asked if there were any comments or questions from the public. There were none.

J. Comments and questions from the Commission members.

Chairman Coffin asked whether High Flow Experiments were done in the past and asked

when was the first one done?

Mr. Thiriot stated the first High Flow Experiment he could locate on record was 1996, and that subsequently there were another five in 2004, 2008, 2012, 2013 and 2014.

Commissioner Coffin asked what have we learned?

Mr. Thiriot replied that we know how to build sandbars. The sandbars do not last long, and the intricacies of how to make the sandbars last longer are being studied.

Commissioner Coffin stated that there has to be some benefit to having sandbars, such as providing a place for fish to shelter or breed.

Mr. Thiriot stated habitat improvement is one of the objectives; and recreational consideration, to be able to have a place to camp and a place for the rafters as well.

Commissioner Coffin stated he wanted to know if there was anything that could measurably say the High Flow Experiments do help the river.

Mr. Thiriot stated that there is an evaluation scheduled in the spring to look at all three High Flow Experiments in 2012, 2013, and 2014; and there is going to be a synthesis to hopefully get a good report afterwards and present it to the Commission.

Commissioner Sisolak stated that the last three items were not on the agenda and the Commission should be careful to not deviate from the agenda.

K. Selection of the next possible meeting date.

The next meeting is tentatively scheduled for 1:00 p.m. on Tuesday, December 9, 2014, at the Clark County Commission Chambers, 500 South Grand Central Parkway, Las Vegas, Nevada.

L. Adjournment.

The meeting adjourned at 2:02 p.m.

Jayne Harkins, P.E., Executive Director

APPROVED:

George F. Ogilvie III, Chairman