

The meeting was held at 1:05 p.m. on Tuesday, December 8, 2009, at the Clark County Commission Chambers, 500 South Grand Central Parkway, Las Vegas, Nevada.

COMMISSIONERS IN ATTENDANCE

Chairman	George F. Ogilvie III
Commissioner	Tom Collins
Commissioner	Duncan R. McCoy
Commissioner	Berlyn D. Miller
Commissioner	Lois Tarkanian

**COMMISSIONERS IN ATTENDANCE
VIA TELECONFERENCE**

Commissioner	Marybel Batjer
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COMMISSIONERS NOT IN ATTENDANCE

Vice Chairman	Ace I. Robison
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DEPUTY ATTORNEYS GENERAL

Senior Deputy Attorney General	Jennifer T. Crandell
Senior Deputy Attorney General	Ann C. Pongracz

COMMISSION STAFF IN ATTENDANCE

Executive Director	George M. Caan
Deputy Executive Director	James D. Salo
Chief, Finance and Administration	Douglas N. Beatty
Manager, Energy Services	Gail A. Bates
Assistant Director, Engineering and Operations	Robert Reese
Manager, Hydropower Program	Craig N. Pyper
Assistant Director of Energy Information Systems	Joe Dabrowski
Natural Resource Analyst	Nicole Everett
Senior Energy Accountant	Gail Benton
Energy Accountant	Kalora Snyder
Office Manager	Judy K. Atwood
Administrative Assistant III	Janet L. Nuszbaum
Administrative Assistant II	Donna Banks

OTHERS PRESENT; REPRESENTING

Consultant	Sara A. Price, Esq.
Overton Power District No. 5	Mendis Cooper
Overton Power District No. 5	Richard Jones

Overton Power District No. 5
Overton Power District No. 5
Piercy, Bowler, Taylor & Kern

Delmar Leatham
Randall Ozaki
Richard Bowler

**COLORADO RIVER COMMISSION
OF NEVADA
MEETING OF DECEMBER 8, 2009**

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The Colorado River Commission meeting was called to order by Chairman Ogilvie at 1:05 p.m.

The Pledge of Allegiance was then recited.

A. Conformance to Open Meeting Law.

Executive Director George Caan confirmed that the meeting was in compliance with the Open Meeting Law.

B. Approval of minutes of the November 10, 2009 meeting.

Commissioner Collins moved for approval of the minutes of the November 10, 2009 meeting as written. The motion was seconded by Commissioner Miller and approved by a unanimous vote.

C. Presentation of Colorado River Commission Annual Financial Report for Year ended June 30, 2009.

Mr. Richard Bowler, of Piercy, Bowler, Taylor & Kern, the Commission's external auditors, reported that the audit of the financial statements of the Colorado River Commission of Nevada for the year ended June 30, 2009, was complete. The audit did not produce any comments or findings that need to be reported to the Commission. Mr. Bowler said he would be happy to answer any questions. There were none.

Commissioner McCoy congratulated Mr. Caan and staff on a job done well and stated it was an excellent report.

Executive Director George Caan stated that the Commission's staff, Doug Beatty, Gail Benton, and Kalora Snyder, should be recognized for their good work that provided the basis for this excellent audit report.

D. Consideration of and possible action to approve Amendment No. 2 for Contract No. SA-03-05 for energized electrical system safety training and compliance services with Electrical Safety Consultants International, Inc.

Assistant Director, Engineering and Operations Robert Reese stated that, in April of 2003, the Commission entered into a contract with Electrical Safety Consultants International, Inc. (ESCI) and that this contract was amended for an additional three-year period on December 8, 2006. The contract provides for safety support services associated with the Commission's high-voltage electric transmission system. The current contract expires on December 31, 2009. Under the contract ESCI:

1. Developed and implements a safety and wellness training program. The program is based upon the requirements of OSHA 29 CFR 1910 and the latest edition of the American Public Power Association's Safety Manual. The program includes such topics as first aid, CPR, equipotential grounding, hot

- stick use and care, electrical safety, confined space entry, and hazardous material communication. ESCI implements the program by providing monthly training sessions at CRC's Newport Substation office complex.
2. Developed and implements a high-voltage switchman certification program. The program is based upon the Commission's Switching and Clearance Procedures, the American Public Power Association's Safety Manual, and the Western Area Power Administration's Power System Switching Procedure. ESCI provides classroom instruction, hands-on practice and a written exam in order to ensure the Commission's personnel are properly qualified and trained to carry out high-voltage switching.
 3. Provided commercial driver license (CDL) training and CDL records maintenance. ESCI provided training to allow the Commission's operations and maintenance personnel to receive a CDL issued by the State of Nevada. ESCI provides follow-up services including a drug-testing program that meets the requirements of the State of Nevada Department of Motor Vehicles.
 4. Provides a Material Safety Data Sheet service. The service is made available on-line and allows the Commission employees easy access to Material Safety Data Sheets on hazardous materials that may be encountered during operation and maintenance activities.
 5. Provides safety equipment and materials as requested up to \$10,000 per year as identified and directed by the Commission. Equipment previously supplied included automated external defibrillators (AEDs) as required for electrical workers by OSHA and outdoor gas cylinder storage cages.

The Commission has an ongoing need for the services provided by ESCI. Over the past six years, ESCI has performed the services in a manner that has met or exceeded the Commission's expectations in all areas.

Prior to executing the contract with ESCI, staff conducted an extensive search for firms qualified to perform the necessary services. Although there are many firms providing construction safety training and/or low-voltage electrical safety training nationally, staff was only able to identify two companies qualified to perform high-voltage safety training on a contract basis. The Commission issued a request for proposals for safety support services that led to the current contract with ESCI.

Staff proposed to extend the term of the contract with ESCI for an additional three-year period to December 31, 2012 and to increase the maximum aggregate cost of services by \$105,456.00, to a not-to-exceed contract total of \$391,517.00.

Commissioner Collins moved for approval. The motion was seconded by Commissioner Miller and approved by a unanimous vote

E. Consideration of and possible action to award Contract No. CRCPDP-201 for the procurement of substation materials and steel for the Clark County Water Reclamation District Electric Facilities Project.

Mr. Reese stated that, at its June 9, 2009 meeting, the Commission approved Contract No. CRCPDP-200 between the Commission and the Clark County Water Reclamation District (CCWRD) to provide for the design, purchase of materials, and construction of three CCWRD-owned substations and medium voltage distribution facilities to be located at the CCWRD Central Plant and Advanced Water Treatment facilities.

The project is currently in the design and material procurement stage. Contract No. CRCPDP-201 provides for the procurement of substation materials such as substation steel, anchor bolts, switch ground mats, bus insulators, buswork, bus fittings, 69-kV CCVTs, surge arresters, 12.47-kV switches, fuses, 12.47-kV potential transformers, and station service transformers.

On November 17, 2009 Contract No. CRCPDP-201 was released for bid. By bid closing the Commission had received three bids. The bid amounts are shown below.

BIDDER NAME	TOTAL BID
M.D. Henry Company, Inc.	\$801,545.00
Hamby Young, A Division of Wesco Distribution, Inc.	\$968,607.00
DIS-TRAN Packaged Substations, LLC	\$1,007,678.00

The Commission's staff and engineers have evaluated the bids. The evaluation confirmed that the bid by the M.D. Henry Company, Inc. was the lowest responsive bid. Staff recommended award to M.D. Henry Company, Inc. of Contract No. CRCPDP-201 for the procurement of substation materials and steel. Staff requested contract authority of \$881,699.50 which includes a 10 percent contingency for quantity adjustments and change orders.

Commissioner Collins moved for approval. The motion was seconded by Commissioner Batjer and approved by a unanimous vote.

F. Consideration of and possible action to award Contract No. CRCPDP-202 for the procurement of 15kV circuit breakers for the Clark County Water Reclamation District Electric Facilities Project.

Mr. Reese stated that, at its June 9, 2009 meeting, the Commission approved Contract No. CRCPDP-200 between the Commission and the Clark County Water Reclamation District (CCWRD), to provide for the design, purchase of materials, and construction of three CCWRD-owned substations and medium voltage distribution facilities to be located at the CCWRD Central Plant and Advanced Water Treatment facilities.

The project is currently in the design and material procurement stage. Contract No. CRCPDP-202 provides for the procurement of the 15kV circuit breakers for the project.

On November 17, 2009, Contract No. CRCPDP-202 was released to one pre-qualified vendor, ABB Inc. The release of the contract to a single vendor is in accordance with the Commission's "Procedures for Purchasing Major Electrical Equipment for the Power Delivery Project" and with Nevada Revised Statutes (NRS) 338.140, which allow the purchase of materials without soliciting bids from multiple vendors if the material is "designated to match others in use" on a project. All of the circuit breakers to be used by the Commission for the CCWRD project match the circuit breakers previously supplied to CCWRD by this vendor after a competitive bidding process. The circuit breakers required for the current project do match and are compatible with the existing circuit breakers.

ABB Inc. provided a bid of \$224,616.00 for the 15-kV circuit breakers. After reviewing the bid, the Commission's staff and engineers believe it is reasonably priced based on current market prices.

Staff recommended the award of Contract No. CRCPDP-202 to ABB Inc. and requested contract authority of \$247,077.60 which includes a 10 percent contingency for quantity adjustments and change orders.

Mr. Reese added that the bid was lower than engineering estimates for this contract.

Commissioner Miller asked what the engineering estimate was. Mr. Reese replied the estimate was \$280,000.00.

Commissioner Collins moved for approval. The motion was seconded by Commissioner Miller and approved by a unanimous vote.

<p>G. Consideration of and possible action to award Contract No. CRCPDP-203 for the procurement of a transformer for the Clark County Water Reclamation District Electric Facilities Project.</p>
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Mr. Reese stated that at its June 9, 2009 meeting, the Commission approved Contract No. CRCPDP-200 between CRC and the Clark County Water Reclamation District (CCWRD) to provide for the design, purchase of materials, and construction of three CCWRD-owned substations and medium voltage distribution facilities to be located at the CCWRD Central Plant and Advanced Water Treatment facilities.

The project is currently in the design and material procurement stage. Contract No. CRCPDP-203 provides for the procurement of a 67-12.47kV, w/LTC, 12/16/20 MVA transformer for the project.

On November 17, 2009 Contract No. CRCPDP-203 was released to one pre-qualified vendor, Efacec USA. The release of the contract to a single vendor is in accordance with the Commission's "Procedures for Purchasing Major Electrical Equipment for the Power Delivery Project" and with NRS 338.140, which allow the purchase of materials without soliciting bids from multiple vendors if the material is "designated to match others in use" on a project. The transformer to be used by the Commission for the CCWRD

matches the consistent design and maintenance plan for each of the existing CCWRD substations and is compatible with the existing transformers, which were supplied by this vendor.

Efacec USA provided a bid of \$564,000.00. After reviewing the bid, the Commission's staff and engineers believe it is reasonably priced based on current market prices. This bid was also lower than engineering estimates for this contract.

Staff recommended the award of Contract No. CRCPDP-203 to Efacec USA and requested contract authority of \$620,400.00, which includes a 10 percent contingency for quantity adjustments and change orders.

Commissioner Miller asked what the engineering estimate was. Mr. Reese replied the estimate was \$640,000.00.

Chairman Ogilvie asked if there was a sole source exemption for the contracts in having to match existing equipment.

Senior Deputy Attorney General Ann Pongracz said NRS 338.140 allows for purchase of materials without solicitation of bids from multiple vendors if the material is "designated to match others in use" on the project.

Commissioner Collins moved for approval. The motion was seconded by Commissioner Miller and approved by a unanimous vote.

<p>H. 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.</p>
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Natural Resources Analyst Nicole Everett gave a brief presentation. A copy of her presentation is attached and made a part of the minutes. (See Attachment A.)

Ms. Everett provided a report on the following:

- Storage Conditions
- Precipitation in the Colorado River Basin
- Unregulated Inflow Into Lake Powell
- Lake Powell Elevation Projections
- Lake Mead Elevation Projections
- Hoover Dam Rating and Lake Mead Elevations
- Minimum and Maximum Temperature Deviation for November 2009
- Monthly Precipitation for November 2009
- U.S. Drought Monitor
- U.S. Seasonal Drought Outlook
- Record of Precipitation Las Vegas Through December 7, 2009
- Water Use in Southern Nevada

Mr. Caan had two updates for the Commission regarding the ongoing work with Mexico on Colorado River issues. The Bureau of Reclamation and the Seven States are working on modeling runs to look at the impacts of various storage scenarios regarding possible storage of Mexican water in the United States.

The Commission is also looking at several small pilot projects for either environmental or conservation work that the two countries can do to test out the mechanisms that might work on a much larger project. A meeting with Mexico is scheduled in January to present the results of the modeling and learn of the progress of the pilot projects.

There is also an update on the Hoover Power extension legislation. Representative Grace Napolitano, Chairwoman of the Subcommittee on Water and Power, sent a "Dear Colleague" letter seeking co-sponsors for the introduction of the Hoover Power extension bill in the House of Representatives, and she is committed to having a bill introduced by the end of the year. There are similar efforts ongoing in the Senate as well.

I. Comments and questions from the public and discussion. (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 will 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 Ogilvie asked if there were any comments or questions from the Commission members.

Commissioner Miller asked where the banked water from Mexico would be stored.

Mr. Caan stated that right now the legality of storing Mexican water is to be determined.

K. Selection of the next possible meeting date.

The next meeting is tentatively scheduled for 1:00 p.m. on Tuesday, January 12, 2010, at the Grant Sawyer State Office Building, Suite 4412.

L. Adjournment.

The meeting adjourned at 1:35 p.m.

George M. Caan, Executive Director

APPROVED:

George F. Ogilvie III, Chairman