

*Withdrawn
by LA*

RESOLUTION NO. 1998-3

RESOLUTION AUTHORIZING THE EXECUTION OF A
PUBLIC AFFAIRS CONSULTING AGREEMENT
WITH FLEISHMAN-HILLARD

WHEREAS, the Board of Directors of the Southern California Public Power Authority (SCPPA) is aware of the continued emergence of the deregulated energy marketplace developing in California and elsewhere in the United States; and

WHEREAS, the Board desires to improve the competitive position of its members by enabling interested members to jointly utilize the services of a public affairs consultant to improve their customer communications.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Southern California Public Power Authority as follows:

1. The Executive Director is hereby authorized and directed to execute and deliver an agreement with Fleishman-Hillard to develop corporate communication strategies related to utility industry deregulation.
2. Such contract is to be administered by the Los Angeles Department of Water and Power.
3. Amounts payable to Fleishman-Hillard under such agreement are to be paid solely from monies received by SCPPA from the member agency utilizing the consulting service.
4. The existing Utility Alliance Account within the General Revolving Fund will be used for deposits of such monies received and disbursements of such amounts to be paid.
5. Each of the President, Vice President, Secretary, any Assistant Secretary, the Executive Director and any other officer of SCPPA is hereby authorized to execute and deliver any and all document and instruments, and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution.
6. This Resolution shall become effective immediately.

19th THE FOREGOING RESOLUTION is approved and adopted this
day of February, 1998.

President
Southern California Public
Power Authority

ATTEST:

Assistant Secretary
Southern California Public
Power Authority

DRAFT

January 22, 1998

Mr. Daniel W. Waters
Executive Director
Southern California Public Power Authority
225 South Lake Avenue, Suite 1410
Pasadena, California 91101

Dear Mr. Waters:

Public Affairs Consulting Agreement

As restructuring of the electric industry continues in California, electric customers will be faced with a barrage of information enticing them with lower rates and better service to switch to a different electric service provider. This creates more of a critical need for public power agencies to communicate with a variety of stakeholder groups and policy makers using all available communication tools.

Many of the member agencies of Southern California Public Power Authority (SCPPA) have small public affairs staffs or large service territories. As they are faced with the increased need to communicate, Fleishman-Hillard, Inc. will augment the efforts of existing staff to increase the public's awareness of the agency's activities, policies and offerings.

This proposal for consulting services is submitted at your request for the performance of public affairs services in connection with communications strategies for municipally owned utilities in the competitive environment to be conducted by SCPPA and its member agencies.

Scope of Services

The services to be provided under this Agreement shall include the development and implementation of corporate communication strategies related

to utility industry deregulation. In particular, but without limitation, such services will include:

- (a) Development and implementation of communication strategies reaching all stakeholder groups regarding issues related to the new competitive energy market.
- (b) Counsel for the development, preparation and placement of news stories, features, opinion pieces and interviews in the local, state and national media markets to maximize media coverage utility activities.
- (d) Pitching and securing guest spots on radio/television talk shows in the local, state and national media markets.
- (e) Analysis of media market to target the largest share of stakeholder groups and evaluation of coverage.

Fees and Expense Reimbursement

Fleishman-Hillard, Inc. shall be compensated for services under this Proposal in accordance with the schedule of fees attached hereto. The hourly rates included in the schedule of fees may be changed by Fleishman-Hillard only with the consent of SCPPA. The total cost of the services, including reimbursements for expenses, under this Proposal shall not exceed \$100,000 without authorization by SCPPA.

Fleishman-Hillard, Inc. shall, after the end of each month, submit an itemized invoice for the actual hours worked and for reimbursements for travel and other out-of-pocket expenses incurred during the prior month. The expenses to be reimbursed shall be billed at cost in accordance with SCPPA's Out-Of-Pocket Travel and Personal Expenses Guidelines. Invoices shall be submitted for approval to the Los Angeles Department of Water and Power to:

Mr. Frank Salas
Los Angeles Department of Water and Power
P.O. Box 51111
Room 1534
Los Angeles, California 90051-0100

Source of Payment

It is acknowledged and agreed that amounts payable to Fleishman-Hillard under this Agreement are to be paid sole from moneys received by SCPPA from the member agency utilizing the above-described services.

Administrative Agreement

The Agreement shall be administered by the Los Angeles Department of Water and Power, and in performing services under this Agreement, Fleishman Hillard shall be subject to the direction of Frank Salas of the Los Angeles Department of Water and Power and his designees.

Duration

This Agreement shall become effective as of February 1, 1998, and will be terminated on February 1, 1999 unless earlier terminated by either party by giving 30 days advance notice to the other party.

If you agree with the terms of the within proposal for public affairs services, please execute the acceptance clause below.

Sincerely,

FLEISHMAN-HILLIARD, INC.

By: _____
Douglas Dowie

Accepted by:

SOUTHERN CALIFORNIA PUBLIC
POWER AUTHORITY

By: _____

Schedule of Fees

Douglas Dowie Senior Vice President and Partner	\$300 per hour
Steve Sugerman Senior Vice President of Public Affairs	\$225 per hour
Mark Barnhill Vice President of Public Affairs	\$200 per hour
Paul Kradin Account Supervisor	\$155 per hour
Jennifer Minow Senior Account Executive	\$145 per hour
Shannon Darknight Account Executive	\$125 per hour
Michael Waxman Account Executive	\$125 per hour