

**PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY
203 OLDS STATION ROAD
WENATCHEE WA 98801**

REGULAR COMMISSION MEETING

JANUARY 20, 2025

STUDY SESSION

10:00 AM

1. Pledge of Allegiance and Safety/H&OP Minute – Casey Knott
2. Approval of the Agenda
3. CPO Winner Recognition
4. Public Comment
Time for public comments or questions related to matters not covered by the agenda

BUSINESS SESSION

Consent Agenda

5. Minutes of the January 6, 2025 Regular Meeting and January 13, 2025 Special Meeting
6. Vouchers: Accounts Payable Summary Report dated January 14, 2025:
 - a. Vouchers totaling \$14,624,421.80;
 - b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period December 31, 2024 through January 13, 2025 in the amount of \$41,333.98.
 - c. Approval of the net Payroll, Warrant Nos. 238677 through 238689 and Advice Nos. 791747 through 792563 for the pay period ending December 29, 2024 in the amount of \$2,670,040.66.
 - d. Approval of Warrant Nos. 32598 through 32645 totaling \$10,165.85 for claim payments from the workers' compensation self-insurance fund for the period ending January 13, 2025.
7. A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF PERFORMANCE UNDER CONTRACT NO. 17-65 WITH PARAMOUNT COMMUNICATIONS, INC. OF RICHLAND, WASHINGTON AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

REGULAR COMMISSION MEETING AGENDA

January 20, 2025

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8. A RESOLUTION RATIFYING FIELD WORK ORDERS NOS. 1 THROUGH 6, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 19-48 WITH CANYON FENCE LLC OF CASHMERE, WASHINGTON, AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE
9. A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF PERFORMANCE UNDER BID NO. 21-17B WITH AMERICAN ELECTRICAL SERVICES, INC. OF BUCKLEY, WASHINGTON AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE
10. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1 THROUGH 9, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 21-11943 WITH MIDLAND ELECTRIC, INC OF DAVENPORT, WASHINGTON, FOR CHELAN WELLFIELD AUTOMATION IMPROVEMENTS AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

Regular Agenda

11. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO SELL AN APPROXIMATELY 0.74 ACRE PARCEL OF REAL PROPERTY IN DOUGLAS COUNTY, WASHINGTON, LOCATED NORTH OF EAST WENATCHEE ON THE EAST SIDE OF US HIGHWAY 2, TO PUBLIC UTILITY DISTRICT NO. 1 OF DOUGLAS COUNTY
12. Manager Items
13. Commission Items
14. Follow-up on Delegation of Action Items from Previous Board Meeting
15. Delegation of Action Items
16. Additional Public Comment
17. Matters of general business as may necessarily come before the Commission
18. Executive Session: To discuss with legal counsel agency enforcement actions, litigation, potential litigation to which the District or its board is, or is likely to become, a party, and/or legal risks, as authorized by RCW 42.30.110(1)(i) and to review the performance of a public employee, as authorized by RCW 42.30.110(1)(g) for ____ minutes

This agenda and resolutions (if any) may be revised by the Commission as appropriate.

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF PERFORMANCE UNDER CONTRACT NO. 17-65 WITH PARAMOUNT COMMUNICATIONS, INC. OF RICHLAND, WASHINGTON AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District Commission by Resolution No. 17-14215 delegated authority to the General Manager to advertise, award and execute contracts when the total contract price is \$3,000,000 or less. Authority was also granted to the General Manager and the staff to execute field work orders under certain circumstances.

On March 26, 2018, the District entered into a contract (Bid No. 17-65) with Paramount Communications, Inc. (Contractor) of Richland, Washington for Telecommunication Fiber Optic Dock Crew in an amount not to exceed \$999,700 (excluding sales tax). This contract was advertised for public bid and was awarded as required by RCW 54.04.070 and .080.

On October 21, 2019, by Resolution 19-14390, the Commission of the District ratified Change Order Nos. 1 through 4 and further approved Change Order No. 5 to increase the total contract amount by \$2,022,175.00 for a total revised contract amount not to exceed \$3,021,875.00, excluding sales tax.

District staff has determined that the work required under the contract has been performed in accordance with the terms of the contract and recommends that the District accept the work.

District staff has determined that the completion of all contract work occurred on December 26, 2024. In accordance with the terms of the contract, the Contractor has provided a bond in lieu of retainage equal to 5% of the contract price.

The General Manager of the District concurs with staff's recommendations that the District accept the work performed by the Contractor and recommends the District authorize the release of the related bond in lieu of retainage, subject to the requirements of the contract and state law.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. All the contract work required under Bid No. 17-65 was completed on December 26, 2024, and is hereby accepted, subject to Section 2 hereof. Release of the Contractor’s bond in lieu of retainage is authorized subject to Section 2 and Section 3 hereof, and subject to the provisions and limitations of Chapter 39.12 RCW (Prevailing Wages on Public Works) and 60.28 (Liens for Labor, Materials and Taxes on Public Works).

Section 2. This resolution shall not constitute an acceptance by the District of any work performed or goods supplied pursuant to the aforementioned contract, which are not in strict compliance with the contract terms and conditions.

Section 3. After the expiration of the forty-five (45) day period for giving the District notice of lien and after receipt of the Department of Revenue's certification of the Contractor's payment of taxes, the Employment Security Department’s Certificate of Payment of Contributions, Penalties and Interest on Public Works Contracts, and the Department of Labor & Industries’ Certificate of Release of the State’s Lien on Public Works Contracts and the District being satisfied that taxes certified as due or to become due are discharged and the filed claims of materialmen and laborers, if any, together with a sum sufficient to pay costs of foreclosing the liens and attorney's fees, have been paid, the District's General Manager is authorized and directed to release the bond in lieu of retainage. In the event said taxes, claims, expenses and fees have not been paid, the General Manager is authorized and directed to file a claim against the bond in lieu of retainage in an amount equal to unpaid taxes and unpaid claims, together with a sum sufficient to defray the costs and attorney fees incurred in foreclosing the lien of such claims, and following payment of such claim, release the bond in lieu of retainage.

DATED this 20th day of January 2025.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDERS NOS. 1 THROUGH 6, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 19-48 WITH CANYON FENCE LLC OF CASHMERE, WASHINGTON, AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District Commission by Resolution No. 17-14215 delegated authority to the General Manager to advertise, award and execute contracts when the total contract price is \$3,000,000 or less. Authority was also granted to the General Manager and the staff to execute field work orders under certain circumstances.

On August 1, 2019, the District entered into a contract (Bid No. 19-48) with Canyon Fence LLC (Contractor) of Cashmere, Washington for Unit Price Fencing, in the amount not to exceed \$446,879.31. This contract was advertised for public bid and was awarded as required by RCW 54.04.070 and .080.

The work in Field Work Orders Nos. 1 through 6 were within the scope of the contract. The District's staff has executed Field Work Orders Nos. 1 through 6 which are on file in the offices of the District and summarized as follows:

Field Work Order No.	Description	Amount
1	Adjust Annual Unit Price Rates	\$0
2	Adjust Annual Unit Price Rates	\$0
3	Modify Term	\$0
4	Add Unit Price Items	\$0
5	Adjust Annual Unit Price Rates and Increase not-to-exceed Contract Price	\$100,000
6	Extend Contract Term	\$0
	Total:	\$100,000

Field Work Order/Change Order Nos. 1 through 6 results in a net increase in the contract price of \$100,000.00 for a new revised not to exceed amount of \$546,879.31 (excluding sales tax) and District staff recommend it be ratified. Resolution Nos. 17-14215 provides that this type of field work order/change order shall be presented to the Commission for approval as part of the final acceptance resolution.

District staff has determined that the completion of all contract work occurred on December 19, 2024. In accordance with the terms of the contract, the Contractor has provided a bond in lieu of retainage equal to 5% of the contract price.

The General Manager of the District concurs with staff's recommendations that the District accept the work performed by the Contractor, ratify Field Work Orders Nos. 1 through 6 and authorize the release of the related bond in lieu of retainage, subject to the requirements of the contract and state law.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. Field Work Order Nos. 1 through 6 to Bid No. 19-48 with Canyon Fence LLC for the work specified above, which will result in a net increase in the not to exceed contract price by \$100,000, for a total revised not to exceed contract price of \$546,879.31, plus Washington State sales tax, are hereby ratified.

Section 2. All the contract work required under Contract No. 19-48 was completed on December 19, 2024 and the same is hereby accepted, subject to Section 3 hereof. Release of the Contractor's bond in lieu of retainage is authorized subject to Section 3 and Section 4 hereof, and subject to the provisions and limitations of Chapter 39.12 RCW (Prevailing Wages on Public Works) and 60.28 (Liens for Labor, Materials and Taxes on Public Works).

Section 3. This resolution shall not constitute an acceptance by the District of any work performed or goods supplied pursuant to the aforementioned contract, which are not in strict compliance with the contract terms and conditions.

Section 4. After the expiration of the forty-five (45) day period for giving the District notice of lien and after receipt of the Department of Revenue's certification of the Contractor's payment of taxes, the Employment Security Department's Certificate of Payment of Contributions, Penalties and Interest on Public Works Contracts, and the Department of Labor & Industries' Certificate of Release of the State's Lien on Public Works Contracts and the District being satisfied that taxes certified as due or to become due are discharged and the filed claims of materialmen and laborers, if any, together with a sum sufficient to pay costs of foreclosing the liens and attorney's fees, have been paid, the District's General Manager is authorized and directed to release the bond in lieu of retainage. In the event said taxes, claims, expenses and fees have not been paid, the General Manager is authorized and directed to file a claim against the bond in lieu of retainage in an amount equal to unpaid taxes and unpaid claims, together with a sum sufficient to defray the costs and attorney fees incurred in foreclosing the lien of such claims, and following payment of such claim, release the bond in lieu of retainage.

DATED this 20th day of January 2025.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF PERFORMANCE UNDER BID NO. 21-17B WITH AMERICAN ELECTRICAL SERVICES, INC. OF BUCKLEY, WASHINGTON AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District Commission by Resolution No. 17-14215 delegated authority to the General Manager to advertise, award and execute contracts when the total contract price is \$3,000,000 or less. Authority was also granted to the General Manager and the staff to execute field work orders under certain circumstances.

On October 26, 2021, the District entered into a contract (Bid No. 21-17B) with American Electrical Services, Inc. (Contractor) of Buckley, Washington for Unit Price Trenching (South), in the amount not to exceed \$1,348,025. This contract was advertised for public bid and was awarded as required by RCW 54.04.070 and .080.

District staff has determined that the work required under the contract has been performed in accordance with the terms of the contract and recommends that the District accept the work.

District staff has determined that the completion of all contract work occurred on December 19, 2024. In accordance with the terms of the contract, the Contractor has provided a bond in lieu of retainage equal to 5% of the contract price.

The General Manager of the District concurs with staff's recommendations that the District accept the work performed by the Contractor and recommends the District authorize the release of the related bond in lieu of retainage, subject to the requirements of the contract and state law.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. All the contract work required under Bid No. 21-17B was completed on December 19, 2024, and the same is hereby accepted, subject to Section 2 hereof. Release of the Contractor's bond in lieu of retainage is authorized subject to Section 2 and Section 3 hereof, and subject to the provisions and limitations of Chapter 39.12 RCW (Prevailing Wages on Public Works) and 60.28 (Liens for Labor, Materials and Taxes on Public Works).

Section 2. This resolution shall not constitute an acceptance by the District of any work performed or goods supplied pursuant to the aforementioned contract, which are not in strict compliance with the contract terms and conditions.

Section 3. After the expiration of the forty-five (45) day period for giving the District notice of lien and after receipt of the Department of Revenue's certification of the Contractor's payment of taxes, the Employment Security Department's Certificate of Payment of Contributions, Penalties and Interest on Public Works Contracts, and the Department of Labor & Industries' Certificate of Release of the State's Lien on Public Works Contracts and the District being satisfied that taxes certified as due or to become due are discharged and the filed claims of materialmen and laborers, if any, together with a sum sufficient to pay costs of foreclosing the liens and attorney's fees, have been paid, the District's General Manager is authorized and directed to release the bond in lieu of retainage. In the event said taxes, claims, expenses and fees have not been paid, the General Manager is authorized and directed to file a claim against the bond in lieu of retainage in an amount equal to unpaid taxes and unpaid claims, together with a sum sufficient to defray the costs and attorney fees incurred in foreclosing the lien of such claims, and following payment of such claim, release the bond in lieu of retainage.

DATED this 20th day of January 2025.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NOS. _____

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1 THROUGH 9, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 21-11943 WITH MIDLAND ELECTRIC, INC OF DAVENPORT, WASHINGTON, FOR CHELAN WELLFIELD AUTOMATION IMPROVEMENTS AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

FACTUAL BACKGROUND AND REASONS FOR ACTION

The Commission, by Resolution No. 17-14215, delegated authority to the General Manager to advertise, award and execute contracts when the total contract price is \$3,000,000 or less.

On July 5, 2022, the District entered into a contract (Bid No.21-11943) with Midland Electric, Inc. (Contractor) of Davenport, Washington for the Chelan Wellfield Automation Improvements, in the amount of \$453,321.00. This contract was advertised for public bid and was awarded as required by RCW 54.04.070 and .080.

The work in Field Work Order/Change Order Nos. 1 through 9 consist of conditions and work not anticipated or included in the original contract but within the scope of the contract. The District's staff has executed Field Work Order/Change Order Nos. 1 through 9, which are on file in the offices of the District and summarized as follows:

FWO/CO No.	Amount
1. Modification to Programmable Logic Controller (PLC) cabinet, demolition of Well A, Cat6 cable for an Air Monitor, and replacing the Welltroll 400	\$23,878.00
2. Supply and installation of new transducer conduit and a new pump motor	\$20,346.22
3. Extend completion date for long delivery times	\$0
4. Number not used	\$0
5. Extend completion date for programming delays	\$0
6. Extend completion date due to unforeseen delays in programming	\$0
7. Extend completion date due to unforeseen delays in programming	\$0
8. Extend completion to allow for testing and training during specific windows of timing at hatchery operations	\$0
9. Extend completion to allow for additional programming	\$0
Total	\$44,224.22

Field Work Order/Change Order Nos. 1 through 9 resulting in an increase contract price of \$44,224.22 for a new contract price of \$ 497,545.22 (excluding sales tax), which District staff recommends be ratified. Resolution No. 17-14215 provides that this type of field work order/change order shall be presented to the Commission for approval as part of the final acceptance resolution.

District staff has determined that the completion of all contract work occurred on January 7, 2025. In accordance with the terms of the contract, the Contractor has provided a bond in lieu of retainage equal to 5% of the contract price.

The General Manager of the District concurs with staff's recommendations that the District accept the work performed by the Contractor, ratify Field Work Order Nos. 1 through 9 and authorize the release of the related bond in lieu of retainage, subject to the requirements of the contract and state law.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NOS. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. Field Work Order/Change Order Nos. 1 through 9 to Bid No. 21-11943 with Midland Electric, Inc. for the work specified above, which will result in an increased contract price of \$497,545.22 are hereby ratified.

Section 2. All the contract work required under Bid No. 21-11943 was completed on January 7, 2025 and the same is hereby accepted, subject to Section 3 hereof. Release of the Contractor's bond in lieu of retainage is authorized subject to Section 3 and Section 4 hereof, and subject to the provisions and limitations of Chapter 39.12 RCW (Prevailing Wages on Public Works) and 60.28 (Liens for Labor, Materials and Taxes on Public Works).

Section 3. This resolution shall not constitute an acceptance by the District of any work performed or goods supplied pursuant to the aforementioned contract, which are not in strict compliance with the contract terms and conditions.

Section 4. After the expiration of the forty-five (45) day period for giving the District notice of lien and after receipt of the Department of Revenue's certification of the Contractor's payment of taxes, the Employment Security Department's Certificate of Payment of Contributions, Penalties and Interest on Public Works Contracts, and the Department of Labor & Industries' Certificate of Release of the State's Lien on Public Works Contracts and the District being satisfied that taxes certified as due or to become due are discharged and the filed claims of materialmen and laborers, if any, together with a sum sufficient to pay costs of foreclosing the liens and attorney's fees, have been paid, the District's General Manager is authorized and directed to release the bond in lieu of retainage. In the event said taxes, claims, expenses and fees

have not been paid, the General Manager is authorized and directed to file a claim against the bond in lieu of retainage in an amount equal to unpaid taxes and unpaid claims, together with a sum sufficient to defray the costs and attorney fees incurred in foreclosing the lien of such claims, and following payment of such claim, release the bond in lieu of retainage.

DATED this 20th day of January 2025.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO SELL AN APPROXIMATELY 0.74 ACRE PARCEL OF REAL PROPERTY IN DOUGLAS COUNTY, WASHINGTON, LOCATED NORTH OF EAST WENATCHEE ON THE EAST SIDE OF US HIGHWAY 2, TO PUBLIC UTILITY DISTRICT NO. 1 OF DOUGLAS COUNTY

FACTUAL BACKGROUND AND REASONS FOR ACTION

The Public Utility District No. 1 of Chelan County (District) is a Washington municipal corporation authorized under the laws of the State of Washington, RCW 39.33.010, to sell real property to the state or any municipality or any political subdivision thereof, on such terms and conditions as may be mutually agreed upon by the proper authorities of the subdivisions concerned.

The District owns an undeveloped parcel of property on the east side of US Highway 2 that is approximately 0.74 acres (Subject Property). The legal description of the Subject Property is on file in the District's offices. The Subject Property is a portion of what was a larger parcel when initially acquired and is separated from other District owned property by US Highway 2. The Subject Property is triangle shaped with US Highway 2 bordering one side. The other two sides are bordered by a 77.68 acre parcel of property owned by Public Utility District No. 1 of Douglas County (Douglas).

Douglas acquired the 77.68 acres surrounding the Subject Property for the development of a hydrogen production facility. Douglas requested to purchase the Subject Property as it is a natural addition to Douglas' property, eliminating a break in its ownership along the highway and simplifying development of its property.

District staff has evaluated and determined the Subject Property is not needed for District purposes.

The District and Douglas entered into a purchase and sale agreement for \$64,188, subject to the District's Board of Commissioner's approval. The purchase price is supported by a recent appraisal of adjacent property.

Staff recommends the District approve the sale of the Subject Property to Douglas. The General Manager has reviewed staff's recommendation and concurs in the same.

Resolution No. _____
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ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. The Board of Commissioners hereby authorizes the sale of the Subject Property to Douglas for \$64,188, and authorizes the District’s General Manager, or designee, to take such further steps as may be required to complete the sale to Douglas.

Dated this 20th day of January, 2025.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

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