

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

REGULAR COMMISSION MEETING

OCTOBER 7, 2024

STUDY SESSION

10:00 AM

1. Pledge of Allegiance and Safety/H&OP Minute – Ryan Smolinsky
2. Approval of the Agenda
3. Fiber Update
4. Beebe Park Update
5. District Wildfire Mitigation Plan
6. Fifth Street Redevelopment
7. Transmission Tariff Update
8. Strategic Vision, Business, and Budget Planning:
 - a. Rate Planning Follow Up
 - b. District Business Plans
9. Public Comment
Time reserved for public comments or questions related to matters not covered by the agenda

BUSINESS SESSION

1:00PM

Consent Agenda

10. Minutes of the September 13, 2024 Special Meeting and September 16, 2024 Regular Meeting
11. Vouchers: Accounts Payable Summary Report dated October 01, 2024:
 - a. Vouchers totaling \$34,963,332.85;

REGULAR COMMISSION MEETING AGENDA

October 7, 2024

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- b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period September 10, 2024 through September 30, 2024 in the amount of \$107,442.83.
 - c. Approval of the net Payroll, Warrant Nos. 238574 through 238581 and Advice Nos. 784959 through 785824 for the pay period ending September 08, 2024 in the amount of \$2,787,897.29.
 - d. Approval of the net Payroll, Warrant Nos. 238582 through 238595 and Advice Nos. 785825 through 786677 for the pay period ending September 22, 2024 in the amount of \$2,787,347.64.
 - e. Approval of Warrant Nos. 32065 through 32188 totaling \$32,580.89 for claim payments from the workers' compensation self-insurance fund for the period ending September 30, 2024.
 - f. Approval of Parks Reservation System customer refunds for the period September 10, 2024 through September 30, 2024 in the amount of \$875.00.
12. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1 & 2, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 23-12745 WITH DIMENSIONAL COMMUNICATIONS, INC OF MOUNT VERNON, WA, AND AUTHORIZING PAYMENT OF RETAINAGE
13. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NO. 1, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 23-12998 WITH RIDGELINE CUSTOM BUILDERS LLC AND AUTHORIZING PAYMENT OF RETAINAGE

Regular Agenda

14. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 5 AND 6, AND APPROVING FIELD WORK ORDER/CHANGE ORDER NO. 7 TO CONTRACT NO. 22-12101 WITH PALOUSE POWER, LLC FOR UNIT PRICE ELECTRICAL DOCK CREW
15. A RESOLUTION APPROVING FIELD WORK ORDER/CHANGE ORDER NO. 1 FOR CONTRACT NO. 23-12754 WITH ALTEC INDUSTRIES, INC. OF DIXON, CALIFORNIA FOR UPFITTING OF DISTRICT SUPPLIED CHASSIS
16. RESOLUTION DECLARING G&W ELECTRIC COMPANY OF CHICAGO, ILLINOIS AS THE SOLE SOURCE SUPPLIER OF VIPER RECLOSERS FOR USE ON THE DISTRICT'S DISTRIBUTION SYSTEMS
17. Manager Items

18. Commissioner Travel

19. Commission Items

a. Special Meeting

Proposed motion: To set a special meeting on Thursday, October 31, 2024 @ 8:30am at Chelan PUD Service Center, 203 Olds Station Road, Wenatchee, for the purpose of holding a Board Workshop

b. 2025 Board Meeting Schedule

Proposed motion: To approve the regular Board meeting schedule for calendar year 2025 with modifications to the following meetings:

- January 20, 2025 moved to January 21, 2025
- March 3, 2025 to be held at Chelan PUD Office, 1034 E Woodin Avenue, Chelan WA
- May 5, 2025 to be held at Leavenworth PUD Office, 222 Chumstick Hwy, Leavenworth WA

All meetings to commence at 10:00am and the remaining meetings to be held in the service center board room, 203 Olds Station Road, Wenatchee, WA unless further modified by future Board action

20. Follow-up on Delegation of Action Items from Previous Board Meeting

21. Delegation of Action Items

22. Additional Public Comment

23. Matters of general business as may necessarily come before the Commission

24. 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), to consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price, as authorized by RCW 42.30.110(1)(b), and to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause the likelihood of decreased price, as authorized by RCW 42.30.110(1)(c) for ___ minutes

25. Board Workshop

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

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1 & 2, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 23-12745 WITH DIMENSIONAL COMMUNICATIONS, INC OF MOUNT VERNON, WA, AND AUTHORIZING PAYMENT 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 April 5, 2023, the District entered into a contract (Bid No. 23-12745) with Dimensional Communications, Inc. (Contractor) of Mount Vernon, WA for Service Center Audio-Visual Systems, in the amount of \$968,759. 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 & 2 consists 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 & 2, which are on file in the offices of the District and summarized as follows:

Field Work Order/Change Order Description	Amount
1. Revise equipment selection, add relocation of District owned equipment, and extend Contract Time	\$57,038
2. Add spare equipment and extend Contract Time	\$10,046
Total	\$67,084

Field Work Order/Change Order Nos. 1 & 2 result in a net increase in the contract price of \$67,084 for a new revised total price of \$1,035,843 (excluding sales tax), which the District's Engineers recommend 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 August 1, 2024. In accordance with the terms of the contract, retainage in an amount not exceeding 5% of the contract price has been withheld from the Contractor.

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/Change Order Nos. 1 & 2, and authorize the payment of retainage due the Contractor, 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/Change Order Nos. 1 & 2 to Bid No. 23-12745 with Dimensional Communications, Inc. for the work specified above are hereby ratified resulting in a net increase in the purchase price of \$67,084, for a total revised contract price of \$1,035,843, plus Washington State sales tax.

Section 2. All the contract work required under Bid No. 23-12745 was completed on August 1, 2024, and the same is hereby accepted, subject to Section 3 hereof. Payment of retainage to the Contractor in the amount determined by the District's auditor to be due is authorized to be paid to the Contractor 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 withhold from the remaining retained amounts for claims the District may have against the Contractor, and the balance shall be paid to the Contractor. In the event said taxes, claims, expenses and fees have not been paid, the General Manager is authorized and directed to withhold 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 the balance shall be paid to the Contractor.

DATED this 7th day of October 2024.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NO. 1, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 23-12998 WITH RIDGELINE CUSTOM BUILDERS LLC AND AUTHORIZING PAYMENT 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 order/change orders under certain circumstances.

On October 12, 2023, the District entered into a contract (Bid No. 23-12998) with Ridgeline Custom Builders LLC (Contractor) for Water Reservoir Safety Improvements Phase 2, in the amount of \$379,500.00. 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 No. 1 consists 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 No. 1, which are on file in the offices of the District and summarized as follows:

Field Work Order/Change Order No.	Description	Amount
1	Additional ladder security improvements to Lower Skyline Reservoir	\$10,736.60

Field Work Order/Change Order No. 1 results in a net increase in the contract price for a new revised total price of \$390,236.60 (excluding sales tax), which the District's Engineers recommend be ratified. Resolution No. 17-14215 provides that this type of field work 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 September 11, 2024. In accordance with the terms of the contract, retainage in an amount not exceeding 5% of the contract price has been withheld from the Contractor.

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/Change Order No. 1 and authorize the payment of retainage due the Contractor, 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/Change Order No. 1 to Bid No. 23-12998 with Ridgeline Custom Builders LLC for the work specified above, which will result in a net increase in the purchase price of \$10,736.60, for a total revised contract price of \$390,236.60, plus Washington State sales tax, is hereby ratified.

Section 2. All the contract work required under Bid No. 23-12998 was completed on September 11, 2024 and the same is hereby accepted, subject to Section 3 hereof. Payment of retainage to the Contractor in the amount determined by the District's auditor to be due is authorized to be paid to the Contractor 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 withhold from the remaining retained amounts for claims the District may have against the Contractor, and the balance shall be paid to the Contractor. In the event said taxes, claims, expenses and fees have not been paid, the General Manager is authorized and directed to withhold 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 the balance shall be paid to the Contractor.

DATED this 7th day of October 2024.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 5 AND 6, AND APPROVING FIELD WORK ORDER/CHANGE ORDER NO. 7 TO CONTRACT NO. 22-12101 WITH PALOUSE POWER, LLC FOR UNIT PRICE ELECTRICAL DOCK CREW

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.

On September 14, 2022, Bid No. 22-12101 for Unit Price Electrical Dock Crew was advertised for public bid. Palouse Power, LLC (Contractor) of Quincy, Washington was the low bidder, and its bid met the District's specifications. On November 14, 2022, the District entered into a contract (Bid No. 22-12101) with Contractor in accordance with RCW 54.04.070 and .080. The Contract Amount was \$1,100,000. The Contract Term was for an initial one-year term with the option for three additional one-year extensions.

Previously Approved Field Work Order/Change Orders

On May 1, 2023, by Resolution 23-14760, the Commission ratified Field Work Order/Change Order No. 1 which added Unit Price Items and further approved Field Work Order/Change Order No. 2 which increased the contract amount by \$1,000,000 for a revised contract amount of \$2,100,000.

On October 16, 2023, by Resolution 24-14760, the Commission ratified Field Work Order No. 3 and further approved Field Work Order/Change Order No. 4 for Unit Price Electrical Dock Crew in an amount of \$2,000,000 for a total revised contract amount of \$4,100,000, excluding sales tax and revised contract term of January 2, 2025.

Field Work Order/Change Orders to be Ratified

The work in Field Work Order Nos. 5 and 6 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. 5 and 6, which are on file in the offices of the District and summarized as follows:

FWO/CO No.	Description	Amount
5	Annual Unit Price Rate Adjustment	\$0
6	Add Unit Price Items	\$0
TOTAL		\$0

Field Work Order Nos. 5 and 6 did not change the not to exceed contract price of \$4,100,000 (excluding sales tax) and District staff recommends that they be ratified.

Proposed Field Work Order/Change Order for Approval

Additionally, District Staff recommends execution of FWO/CO No. 7 to extend the contract term to January 2, 2026, and increase the contract amount by \$11,000,000 to support transmission and distribution relocation projects mandated by the City of Wenatchee for a revised Contract amount of \$15,100,000 (excluding sales tax). This Unit Price Contract may be extended by one additional one-year term.

The General Manager concurs with staff's recommendations that Field Work Order/Change Order Nos. 5 and 6 be ratified, and that Field Work Order/Change Order No. 7 be approved.

ACTION

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

Section 1. The Commission finds that Field Work Order/Change Order Nos. 5 and 6 were properly executed pursuant to the authority delegated by Resolution No. 17-14215 and said Field Work Order/Change Orders are hereby formally acknowledged and ratified.

Section 2. The General Manager of the District is hereby authorized to execute Field Work Order/Change Order No. 7 resulting in a revised Contract amount of \$15,100,000 (excluding sales tax) and extend the contract term to January 2, 2026. A copy of the Field Work Order/Change Order shall be on file in the offices of the District.

DATED this 7th day of October 2024.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION APPROVING FIELD WORK ORDER/CHANGE ORDER NO. 1 FOR CONTRACT NO. 23-12754 WITH ALTEC INDUSTRIES, INC. OF DIXON, CALIFORNIA FOR UPFITTING OF DISTRICT SUPPLIED CHASSIS

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District Commission by Resolution No. 19-14409, on December 2, 2019, declared Altec Industries, Inc. of Dixon, California to be the sole source supplier of digger derricks and bucket trucks for the District.

On October 10, 2023, the District entered into a contract (Contract No. 23-12754) with Contractor in accordance with RCW 54.04.070 and .080. The contract amount is \$835,000.00 (excluding sales tax), and it is set to expire on October 31, 2024. Extending the contract to June 30, 2029, will allow sufficient time for additional purchases.

Proposed Field Work Order/Change Order for Approval

District Staff recommends the execution of Field Work Order/Change Order No. 1 to extend the contract term to June 30, 2029 and to increase the contract amount by \$3,265,000.00, resulting in a revised total of \$4,100,000.00 to accommodate future purchases.

The General Manager of the District concurs with staff's recommendations that Field Work Order/Change Order No. 1 be approved.

ACTION

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

Section 1. The General Manager of the District is hereby authorized to execute Field Work Order/Change Order No. 1 extending the contract term to June 30, 2029, and increasing the contract amount by \$3,265,000.00 resulting in a revised Contract amount of \$4,100,000.00 (excluding sales tax). A copy of the Field Work Order/Change Order shall be on file in the offices of the District.

DATED this 7th day of October 2024.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION DECLARING G&W ELECTRIC
COMPANY OF CHICAGO, ILLINOIS AS THE SOLE
SOURCE SUPPLIER OF VIPER RECLOSERS FOR USE
ON THE DISTRICT'S DISTRIBUTION SYSTEMS

FACTUAL BACKGROUND AND REASONS FOR ACTION

With the District's pursuit of Advanced Distribution Management Systems (ADMS) and the continuous improvement of distribution system reliability, District engineers have evaluated various manufacturers and have chosen the G&W Viper recloser as the best choice for future recloser installations. The District also desires to integrate reclosers on the distribution system with SCADA so they can be controlled and monitored remotely for Fire Safety Outage Management (FSOM). Since 2021, the automatic reclosing function of reclosers has been disabled during periods of high fire risk. Without SCADA integration (i.e., remote control), line operations personnel are required to be present at each recloser location to enable/disable automatic reclosing. By incorporating a fiber optic communication node and integrating reclosers with SCADA, system operators can remotely operate and change settings as weather conditions change during fire season. This will serve to not only mitigate fire risk, but also improve efficiency and safety for District staff and provide more reliable service to customers.

Pursuant to RCW 54.04.070 and 39.04.280, the District may, when there is clearly and legitimately a sole source of supply, waive the statutory competitive bidding requirements otherwise applicable to the purchase of equipment. Resolution No. 17-14215 requires that a declaration for sole source purchases over the statutory limits (\$120,000.00 per purchase) must come before the Commission for action.

District staff recommends that it would be in the best interest of the District to designate G&W Electric Company as the sole source supplier for Viper Reclosers, and to enter into a contract with G&W Electric Company for the purchase of the Viper Reclosers in an amount not to exceed \$1,500,000.00. The term of the contract will not exceed five years, exclusive of District options to extend and/or renew. Staff also recommend that the competitive bidding requirements of RCW 54.04.070 be waived.

The General Manager has reviewed the staff's recommendations and concurs in the same.

ACTION

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

Section 1. The Commission agrees that the District should standardize using G&W Electric Company Viper Reclosers for the reasons listed above and declares G&W Electric Company to be the sole source supplier for Viper Reclosers.

Section 2. The competitive bidding requirements of RCW 54.04.070 are hereby waived due to the designation of G&W Electric Company as the sole source supplier for Viper Reclosers.

Section 3. The General Manager or his designee is authorized to enter into a contract with G&W Electric Company for the purchase of Viper Reclosers at a cost not to exceed \$1,500,000.00 without prior Commission approval. The term shall not exceed five years with District options to extend annually for a total of up to three additional years. A copy of the contract will be on file in the offices of the District.

DATED this 7th day of October 2024.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal