

**PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY
327 N. WENATCHEE AVENUE
WENATCHEE, WA 98801**

REGULAR COMMISSION MEETING

February 21, 2017

AGENDA

9:00 A.M.

1. Executive Session - To review the performance of a public employee, as authorized by RCW 42.30.110(1)(g)

1:00 P.M.

STUDY SESSION

1. Pledge of Allegiance and Safety Minute – Dave Parkhill
2. Approval of the Agenda - Any item on the Regular Agenda shall be subject to transfer to the Consent Agenda upon request of any Commission member
3. Audit Committee Annual Update
4. LED Streetlight Update

BUSINESS SESSION

Consent Agenda

5. Minutes:

February 6, 2017

6. Vouchers:

Accounts Payable Summary Report dated February 14, 2017:

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- a) Vouchers totaling \$5,446,574.14;
 1. Approval of Customer Deposit Returns and Conservation Incentive payments dated February 14, 2017 in the amount of \$18,626.75;
 2. Approval of the net Payrolls, Warrant Nos. 235037 through 235060 and Advice Nos. 628525 through 629233 for the pay period ending 2/05/2017 in the amount of \$1,706,647.49; and
 3. Approval of Warrant Nos. 23152 through 23180 totaling \$16,600.70 for claim payments from the workers' compensation self-insurance fund for the period ending February 13, 2017.

7. Charge-Offs:

Uncollectible Accounts in excess of \$1,000.00 for December 2016 - \$4,633.34

Regular Agenda

Resolutions

8. A RESOLUTION AUTHORIZING AMENDMENT NO. 5 TO SERVICES AGREEMENT (SA NO. 13-058) WITH THYSSENKRUPP ELEVATOR CORPORATION TO PROVIDE MAINTENANCE OF THE DISTRICT'S ELEVATOR EQUIPMENT
9. A RESOLUTION RATIFYING FIELD WORK ORDER NO. 1, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 16-05 WITH MOE ASPHALT PATCHING & SEALCOATING OF WENATCHEE, WASHINGTON AND AUTHORIZING PAYMENT OF RETAINAGE
10. A RESOLUTION RATIFYING FIELD WORK ORDER NO. 1, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 13-70 WITH DAVEY TREE SURGERY COMPANY OF LIVERMORE, CALIFORNIA AND AUTHORIZING PAYMENT OF RETAINAGE
11. A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 15-64 WITH DAVEY TREE SURGERY COMPANY OF LIVERMORE, CALIFORNIA AND AUTHORIZING PAYMENT OF RETAINAGE
12. A RESOLUTION AUTHORIZING AMENDMENT NO. 2 TO SERVICES AGREEMENT (SA NO. 15-019) WITH UTILIWORKS CONSULTING, LLC TO PROVIDE AMI CONSULTING SERVICES

Proposed Motions:

13. A motion to adopt the Public Utility District No. 1 of Chelan County Water System Plan presented to the Board of Commissioners October 17th and November 7th, 2016.

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14. A motion to add \$3.6 million to the Rock Island Powerhouse 1 B6 Modernization project budget for a total revised project budget of \$30.7 million.
15. A motion authorizing General Counsel to file foreclosure actions on or before February 28, 2017 as appropriate to enforce and collect delinquent LUD assessments.
16. Manager Items
17. Commission Items
18. Follow-up on Delegation of Action Items From Previous Board Meeting
19. Delegation of Action Items
20. Additional Public Comment*
21. Matters of general business as may necessarily come before the Commission
22. 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).

* Members of the public are encouraged to ask specific questions after each item presented. This agenda item is for additional comments/questions related to matters not on the agenda.

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AMENDMENT NO. 5 TO SERVICES AGREEMENT (SA NO. 13-058) WITH THYSSENKRUPP ELEVATOR CORPORATION TO PROVIDE MAINTENANCE OF THE DISTRICT'S ELEVATOR EQUIPMENT

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District entered into a Services Agreement (SA No. 13-058) on January 19, 2013 with ThyssenKrupp Elevator Corp. to provide maintenance of the District's elevator equipment, in an amount not to exceed \$56,831.87. Amendments 1 through 4 added \$136,898.13 for a not-to-exceed dollar amount of \$193,730.00 which extended the Service Agreement through December 31, 2016.

District staff has identified the need for continuing services for maintaining the District's elevator equipment. Resolution No. 08-13325 requires that the Commission, by resolution, authorize Amendments to Service Agreements when the Amendment increases the total contract price to over \$200,000.

District staff recommends that it is in the best interest of the District to amend Services Agreement No. 13-058 with ThyssenKrupp Elevator Corp to extend for one additional year in the amount of \$70,538.52, for a total revised contract price not to exceed \$264,268.52.

The General Manager has reviewed District staff's recommendation 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 General Manager is hereby authorized to execute an Amendment to Services Agreement (SA No. 13-058) with ThyssenKrupp Elevator Corp. to provide the additional services identified above. The revised contract price will not exceed \$264,268.52 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 21st day of February 2017.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER NO. 1, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 16-05 WITH MOE ASPHALT PATCHING & SEALCOATING OF WENATCHEE, WASHINGTON AND AUTHORIZING PAYMENT OF RETAINAGE

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District Commission by Resolution No. 08-13325 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 8, 2016, the District entered into a contract (Bid No. 16-05) with Moe Asphalt Patching & Sealcoating, Inc. (Contractor) of Wenatchee, Washington for 2016 District Parks Pavement Maintenance, in the amount of \$400,095.30. 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 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 No. 1, which is on file in the offices of the District and summarized as follows:

Field Work Order No.	Amount
1. Reconciliation of Final Contract Costs	\$45,898.91
Total	\$45,898.91

Field Work Order No. 1 results in a net increase in the contract price for a new revised total price of \$445,994.21 (excluding sales tax), which the District's Engineers recommend be ratified. Resolution No. 08-13325 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 December 13, 2016. 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 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 No. 1 to Bid No. 16-05 with Moe Asphalt Patching & Sealcoating, Inc. for the work specified above, which will result in a net increase in the purchase price of \$45,898.91, for a total revised contract price of \$445,994.21, plus Washington State sales tax, is hereby ratified.

Section 2. All the contract work required under Bid No. 16-05 was completed on December 13, 2016, 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 21st day of February 2017.

ATTEST:

Vice President

Commissioner

Seal

President

Secretary

Commissioner

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER NO. 1, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 13-70 WITH DAVEY TREE SURGERY COMPANY OF LIVERMORE, CALIFORNIA AND AUTHORIZING PAYMENT OF RETAINAGE

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District Commission by Resolution No. 08-13325 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 December 2, 2013, the District entered into a contract (Bid No. 13-70) with Davey Tree Surgery Company (Contractor) of Livermore, California for District Tree Trimming, for the unit prices bid. 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 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 No. 1, which are on file in the offices of the District and summarized as follows:

Field Work Order No.	Amount
No. 1 adds Equipment and Pricing	\$0
Total	\$0

The District's Engineers recommend that Field Work Order No. 1 be ratified. Resolution No. 08-13325 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 January 30, 2017. At the completion of the work, the total contract spend was \$1,834,116.03. 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 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 No. 1 to Bid No. 13-70 with Davey Tree Surgery Company for the work specified is hereby ratified.

Section 2. All the contract work required under Bid No. 13-70 was completed on January 30, 2017, 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 21st day of February 2017.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING FINAL
ACCEPTANCE OF WORK PERFORMED UNDER
BID NO. 15-64 WITH DAVEY TREE SURGERY
COMPANY OF LIVERMORE, CALIFORNIA AND
AUTHORIZING PAYMENT OF RETAINAGE

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District Commission by Resolution No. 08-13325 delegated authority to the General Manager to advertise, award and execute contracts when the total contract price is \$3,000,000 or less.

On January 7, 2016, the District entered into a contract (Bid No. 15-64) with Davey Tree Surgery Company (Contractor) of Livermore, California for District Tree Trimming, for the unit prices bid. 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 completion of all contract work occurred on February 3, 2017. At the completion of the work, the total contract spend was \$989,630.36. 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 and recommends the District 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. All the contract work required under Bid No. 15-64 was completed on February 3, 2017, 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 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 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 21st day of February 2017.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AMENDMENT NO. 2 TO SERVICES AGREEMENT (SA NO. 15-019) WITH UTILIWORKS CONSULTING, LLC TO PROVIDE AMI CONSULTING SERVICES

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District entered into a Services Agreement (SA No. 15-019) on February 23, 2015, with Utiliworks Consulting, LLC to provide AMI Consulting Services, in an amount not to exceed \$198,000.

District staff has identified the need for additional task authorizations for implementation plan, and execution of an automated meter infrastructure. Resolution No. 08-13325 requires that the Commission, by resolution, authorize Amendments to Service Agreements when the Amendment increases the total contract price to over \$200,000.

District staff recommends that it is in the best interest of the District to amend Services Agreement No. 15-019 with Utiliworks Consulting, LLC to increase the contract price in the amount of \$600,000, for a total revised contract price not to exceed \$798,000.

The General Manager has reviewed District staff's recommendation 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 General Manager is hereby authorized to execute an Amendment to Services Agreement (SA No. 15-019) with Utiliworks Consulting, LLC to provide the additional services identified above. The revised contract price will not exceed \$798,000 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 21st day of February 2017.

ATTEST:

President

Vice President

Secretary

Commissioner

Commissioner

Seal