

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

REGULAR COMMISSION MEETING

April 16, 2018

AGENDA

STUDY SESSION

10:00 A.M.

1. Pledge of Allegiance and Safety Minute – Bruce Porter
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. CPO Winner Recognition
4. Quarterly Board Balanced Scorecard Status Update
5. Replacement Standby Bond Purchase Agreement
6. Electrification and Electric Vehicles
7. Climate Change Forecast
8. Lessons Learned on Consent Agenda Resolution

BUSINESS SESSION

1:00 P.M.

Consent Agenda

9. Minutes:

April 2, 2018 Regular Meeting

10. Vouchers:

Accounts Payable Summary Report dated April 11, 2018:

- a. Vouchers totaling \$14,528,474.17;

REGULAR COMMISSION MEETING AGENDA

April 16, 2018

Page 2

- b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period March 28, 2018 through April 10, 2018 in the amount of \$10,498.53;
 - c. Approval of the net Payrolls, Warrant Nos. 235885 through 235911 and Advice Nos. 651029 through 651804 for the pay period ending 04/1/2018 in the amount of \$1,919,455.21; and
 - d. Approval of Warrant Nos. 24322 through 24359 totaling \$23,127.85 for claim payments from the workers' compensation self-insurance fund for the period ending April 9, 2018.
11. A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1 AND 2, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 17-06 WITH PACIFIC PILE & MARINE, LP OF SEATTLE, WA AND AUTHORIZING PAYMENT OF RETAINAGE

Regular Agenda

12. A RESOLUTION AMENDING SECTIONS 6, 8, 22, 41 AND 46 OF THE UTILITY SERVICE REGULATIONS
13. A RESOLUTION DECLARING TELVENT USA LLC, OF WILMINGTON, DELAWARE AS THE SOLE SOURCE SUPPLIER OF THE ARCFM SOFTWARE SUITE FOR CUSTOMER UTILITIES MAPPING
14. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A SERVICES AGREEMENT (SA NO. 18-008) WITH REGENTS OF THE UNIVERSITY OF COLORADO OF BOULDER, CO FOR SHORT-TERM HYDRAULIC PLANNING AND OPTIMIZATION SOFTWARE AND SUPPORT
15. Motion: Move to allocate an additional \$300,000 from unallocated 2018 Public Power Benefit funds to the Hydro Research project for the purposes of facilitating the formation of the Hydropower Research Institute with the objective of improving the operation of hydroelectric generating facilities
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*

REGULAR COMMISSION MEETING AGENDA

April 16, 2018

Page 3

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), 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).

* 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 RATIFYING FIELD WORK ORDER NOS. 1 AND 2, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 17-06 WITH PACIFIC PILE & MARINE, LP OF SEATTLE, WA 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 June 14, 2017, the District entered into a contract (Bid No. 17-06) with Pacific Pile & Marine, LP (Contractor) of Seattle, WA for the Chelan Falls Park Boat Launch and Dock Replacement project, in the amount of \$462,000. 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 Nos. 1 and 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 Nos. 1 and 2, which are on file in the offices of the District and summarized as follows:

Field Work Order No.	Amount
1. Adjustment to Contract Time, update to Liquidated Damages	\$0
2. Increase to scope and Contract Price adjustment Saw cut concrete precast planks to fit around existing pile	\$1,262.44
Total	\$1,262.44

Field Work Order Nos. 1 and 2 result in a net increase in the Contract Price of \$1,262.44 for a new revised total price of \$463,262.44 (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 March 12, 2018. 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 Nos.

1 and 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 Nos. 1 and 2 to Bid No. 17-06 with Pacific Pile & Marine, LP for the work specified above, which will result in a net increase in the amount of \$1,262.44 for a total revised Contract Price of \$463,262.44, plus Washington State sales tax, are hereby ratified.

Section 2. All the contract work required under Bid No. 17-06 was completed on March 12, 2018 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 16th day of April 2018.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AMENDING SECTIONS 6, 8, 22, 41 AND 46
OF THE UTILITY SERVICE REGULATIONS**FACTUAL BACKGROUND AND REASONS FOR ACTION**

Public Utility District No. 1 of Chelan County (District) has established provisions, regulations and practices for Electric, Water and Wastewater services entitled “Utility Service Regulations,” as adopted by Resolution No. 07-13211 and most recently updated by Resolution No. 17-14155.

During the April 2, 2018 Commission meeting, staff identified the need to revise Utility Service Regulations to address an increase in unreported changes in load leading to significant safety risk and unrecovered cost. Proposed changes include sections 6, 8, 22, 41, and 46 of the Utility Service and Electric Service portions of the Regulations. District staff’s proposal does the following:

- In section 6, “Application and Contract for Service,” adds language that allows the District to disconnect a Customer for unauthorized service who provided inaccurate or incomplete information to avoid a particular rate schedule or applicable regulations and to refer the matter to authorities for further prosecution.
- In section 8, “Security Deposits,” adds language that allows the District to require an increased Security Deposit from Residential Customers due to unauthorized use and to retain such Security Deposits for a period of 1 year or for a period to be determined by the District.
- In section 22, “Revenue Protection,” clarifies that the appropriate rate may be back billed after an investigation and removes unnecessary paragraphs from the rule, as well as allowing the District to refer the matter to authorities for further prosecution.
- In section 41, “Changes in Electric Load,” provides that failing to obtain approval from the District prior to altering the nature of a load will lead to investigation as unauthorized service pursuant to section 22 “Revenue Protection,” and imposition of the Investigation and Monitoring Fee and Equipment Degradation Fee and referral to authorities for further prosecution.
- In section 46, “Combined Residential and Commercial Service,” clarifies that this section does not apply to any business purpose uses included in Rate Schedule 35. Any business purposes included in Rate Schedule 35 occurring in a residence will cause the entire connected load to be billed under Rate Schedule 35.

District staff recommends that it is in the best interest of the District to amend Sections 6, 8, 22, 41, and 46 of the Utility Service Regulations as described herein. The revised Regulations are set forth in Attachment A. Staff recommends that these changes be effective on April 16, 2018.

The General Manager has reviewed 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. Effective April 16, 2018, the District’s Utility Service Regulations shall be amended by replacing Sections 6, 8, 22, 41, and 46 with the text provided in Attachment “A.”

Section 2. All prior resolutions inconsistent with this resolution are hereby rescinded and superseded.

DATED this 16th day of April, 2018.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

Attachment A

6. APPLICATION AND CONTRACT FOR SERVICE

Any individual, firm or organization desiring to purchase Utility Service from the District shall make application in person at the offices of the District or by phone.

As part of the District's Identity Theft Prevention program that is required by law and approved by the Board, the District uses Social Security Numbers (SSN) to validate the identity of Customers who open Accounts. Customer SSNs are maintained in a secure environment. Customers wishing to use other government- issued identification are welcome to apply for service in person at the District's offices.

The Applicant shall describe the Premises where such Utility Service is desired, and all pertinent information covering type, class, and other applicable characteristics. The Applicant shall include the physical address such as house number as assigned by the city or county and mailing address if different. Customers have an option of providing an email address for receiving their monthly bill statements electronically via email. Once this application process is completed, the Customer agrees that these Utility Service Regulations and other requirements of the District shall constitute a Contract on the part of the Customer making application to pay for the Utility Service applied for at the rate, in the manner, and for the time specified in such Contract. The District reserves the right to charge and collect the rates provided for in its Rate Schedules and to change said rates at any time by resolution of the Board. The District may require additional Contracts and information as deemed necessary by the District. Utility Service based on an application that provided inaccurate, incomplete, or misleading information to avoid a particular Rate Schedule or applicable regulations is unauthorized service and is considered defrauding the District and/or theft against the District. The District may disconnect such unauthorized service pursuant to Section 12, Connection and Disconnection of Service, and may refer the matter to authorities for further prosecution.

If a Customer is a corporation or LLC, the District will require a Personal Guarantee to be signed by a principal of said entity prior to Utility Service being initiated. In lieu of a Personal Guarantee, the District may allow or require a substitute form of security or collateral in an amount, form and term determined acceptable by the Managing Director of Customer Utilities. The required form and term of security or collateral posted will be subject to review by the District on an annual basis and revisions may be required. Security provided under this section shall not be subject to Section 8 hereof.

By receiving Utility Service the Customer is bound by the terms and conditions of these Regulations and other policies, procedures and District Standard Practices.

8. SECURITY DEPOSITS

At the time of applying for Utility Service, the District will determine whether a deposit is required before connection of Utility Service. Additional deposits may be required after service connection has been made as provided herein. Security deposits do not apply to the Third-Party

Service Providers utilizing the District's Telecommunications Infrastructure as those deposit requirements are separately set forth in appropriate agreements.

A. RESIDENTIAL CUSTOMERS

i. Deposit Requirements

Residential Customers may be required to pay a deposit when the following conditions are present as determined by the District in its sole discretion:

1. Unsatisfactory payment histories including prior unpaid District Utility Service Account balances.
2. Any ownership situation where the District, in its sole discretion, is reasonably concerned about assuring future collection taking into consideration factors, including but not limited to, unclear or informal tenancies, metering issues and/or metering placement.
3. If the Customer has provided inaccurate information to the District; violated any of the District's policies, regulations and/or Rate Schedules; or has damaged any District-owned equipment.
4. If the Customer has violated any state and/or local laws or regulations relating to the District Utility Services.

ii. Amount of Security Deposit

For Residential Customers the security deposit will be \$100.00 for each meter or service. For Residential Customers who have made changes in load without prior approval as required by Section 41, Changes in Load, the security deposit will be \$1,000.00 for each meter and each service. The security deposit shall be payable to the District at the time of application and shall be paid prior to connection of service.

iii. Refund of Security Deposit and Use of Deposit by the District

If a Customer establishes a favorable record of payment to the District, the District will apply the security deposit to the Account at the expiration of a twelve (12) consecutive-month period from receipt of security deposit. The District will retain security deposits collected due to unapproved changes in load for such time as the District deems appropriate but not less than twelve (12) months.

22. REVENUE PROTECTION

The District will reduce or eliminate revenue loss due to metering defects, unauthorized use of Utility Services, theft, fraud, and utility diversion. These regulations address prevention, detection and corrective action to be taken regarding revenue diversion or loss by fraud, unauthorized use, malfunctioning equipment, meter tampering or unauthorized access to the District's facilities with the intent to prevent the District from receiving revenue for Utility Service.

1. Investigation Procedures

Data including previous history, on-site conditions and other pertinent information will be gathered to determine if the Customer has intentionally been involved in revenue diversion, fraud, or if the District's equipment may be malfunctioning.

- a. After the investigation, a report of the findings will be prepared if revenue diversion or fraud is determined or malfunctioning equipment is found. The report will include in detail the events that took place during the investigation and expenses and charges to the Customer found diverting revenue, committing fraud, or for back-billing due to malfunctioning District equipment.
- b. If the District determines that revenue utility diversion, fraud, or malfunctioning equipment has occurred, a letter of notification shall be sent to the Customer's billing address stating that utility diversion, fraud, or malfunctioning equipment has occurred. The letter will also state:
 - that the Customer will be assessed all of the investigation costs and cost of replacement or repair of equipment
 - the amount of any usage for back billing
 - the appropriate rate, if different, for back billing
 - any amounts owed due to fraud
 - any amounts owed due to malfunctioning equipment
 - that all sums due must be paid within ten (10) days, unless other arrangements are made with the Customer Relations Credit Supervisor

The letter will also notify the Customer of the right to an informal hearing if requested within ten (10) days of receipt of notice; otherwise, the right to a hearing shall be deemed waived. Receipt of the letter of notification shall be deemed to occur either upon personal delivery of the decision to the Customer or five (5) business days after the date of mailing, whichever occurs first. Receipt of notice sent to the billing address provided by the Customer will be deemed to be received by the Customer.

- c. If the District determines that the Customer has intentionally been involved in fraud, theft, unauthorized use, meter tampering, or unauthorized access, the District may refer the matter to authorities for further prosecution.
- d. If the District determines that District equipment has been malfunctioning, the Customer will only be billed for the period of time that the Customer occupied the Premises.

2. Administrative Procedure for Informal Hearings

If the Customer requests an informal hearing for revenue diversion, fraud or malfunctioning equipment charges, the District will schedule the hearing in a timely manner. The results of the District's investigation will be explained and an opportunity will be provided to the Customer for response to the charges.

- a. The initial hearing to present all pertinent facts and documents will be held with the Customer and Customer Service Division if the Customer so desires, and a timely request is made.
- b. If utility revenue diversion, fraud, or malfunctioning equipment is confirmed by the Customer Service Division, the Customer may request a second informal hearing. The second hearing will be granted if requested within ten (10) days of the decision made as a result of the first hearing of the Customer Service

Division. The second hearing will be with a District employee designated by the Manager or the hearing officer. This designated employee will not be an employee of the Customer Service Division. A determination made by the hearing officer will constitute the final determination by the District.

41. CHANGES IN ELECTRIC LOAD

Customers must apply for changes in load to ensure equipment is adequately sized for safe operation and for appropriate billing. If the Customer does not obtain prior approval for changes in load per the limits below, the District may disconnect the Electric Service as provided in Section 12 of these Utility Service Regulations. Further, if the Customer does not obtain prior approval, and as a result the District's equipment is damaged, the Customer shall be liable for the cost of such damage including the cost of repairing, replacing and restoring Electric Service.

The District makes no warranties or guarantees that the District's Electric Service Facilities will accommodate or will be available for changes in load, including the resumption/ramp-up of a previous Electric Service load.

If a Customer desires to: (a) increase load to an existing Electric Service connection by 150KW or more; (b) resume or ramp-up a load that has been curtailed by more than 150KW for a period of twenty-four (24) months or more; or (c) change its load such that a different Rate Schedule would apply, the Customer shall complete a new service application. If a Rate Schedule 35 High Density Load Customer desires to (a) increase load to an existing Electric Service connection by any amount of (b) resume or ramp-up a load that has been curtailed by any amount for a period of twelve (12) months or more, the Customer shall complete a new service application. The District will evaluate the impact of that changed load to the existing Electrical Service Facilities; the Customer may not change or increase load until approved by the District. At the District's discretion, a written agreement, including a load ramping plan and progress schedule, may be required by the District.

The District considers changes to load without prior approval required by this section to be unauthorized use of Utility Service and to be fraud or theft against the District. The District may refer such matters to authorities for further prosecution. Customers that change load out of compliance with this section will be investigated under Section 22 and assessed Investigation and Monitoring Fees and an Equipment Degradation Fee as set forth in Fees and Charges.

46. COMBINED RESIDENTIAL AND COMMERCIAL SERVICE

Where a single non-farm business is operated in conjunction with a family residence, and the Electric Service for each purpose cannot be readily separated from the other, the Rate Schedule shall be determined as follows: If less than 25% of the connected load is utilized for business purposes, the residential rate shall apply; and conversely if over 25% of the connected load is utilized for business purposes, the appropriate Electric Rate Schedule shall apply; *except that* if any portion of the load is subject to Rate Schedule 35, Rate Schedule 35 applies.

RESOLUTION NO. _____

A RESOLUTION DECLARING TELVENT USA LLC, OF WILMINGTON, DELAWARE AS THE SOLE SOURCE SUPPLIER OF THE ARCFM SOFTWARE SUITE FOR CUSTOMER UTILITIES MAPPING.

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District's ESRI-based Geographic Information System (GIS) provides utility automated mapping/facilities management application through third party software company Telvent USA LLC. (Telvent). Telvent's ArcFM Solution is an extension to ESRI's ArcGIS software that includes the necessary database design and additional software functionality to maintain a complex utility network and facilities. It includes tools for building electrical maps and has a complex database for modeling the system.

The ArcFM software suite has been utilized for the electric distribution, water, and fiber network mapping applications since 2003. The ArcFM suite was originally procured in 2003 for \$39,655 utilizing competitive quotes. Additional software ArcFM Responder OMS software was procured in 2008 under SA 08-176, for \$141,946, under a sole source memo. Yearly maintenance and support has been paid under SA 09-068. In 2018 the District plans to add and implement the ArcFM Fiber Manager application, to move fiber connectivity tracking to ArcFM GIS as well. Because the Fiber Manager application is included in the new Telvent ArcFM Solution software suite offering to small utilities (less than 50,000 customers), staff has determined that it is advantageous and recommends the District move from its existing perpetual license agreement with Telvent for the ArcFM Solution software suite to the new Telvent software subscription term license agreement entitled *Small Utilities Enterprise License Agreement* (SUELA), at a cost of \$84,000 for a three year term.

Telvent USA LLC has provided the District with a letter certifying the following: 1) it is the sole source provider of the ArcFM Solution software; 2) it is also the sole distributor of the ArcFM Solution software and; 3) the District is receiving the lowest price it offers to similar situated small utility 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 set forth in RCW 54.04.082 (\$60,000 per month) must come before the Commission for action.

District staff has determined that it would be in the best interest of the District to designate Telvent USA, LLC as the sole source supplier for the ArcFM Solution

software suite and enter into the new *Small Utilities Enterprise License Agreement* (SUELA), for a three year term at a cost not to exceed \$84,000. Staff also recommends that the competitive bidding requirements of RCW 54.04.070 be waived.

The General Manager has reviewed 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 declares Telvent USA, LLC to be the sole source supplier for the ArcFM Solution software suite.

Section 2. The competitive bidding requirements of RCW 54.04.070 are hereby waived due to the designation of Telvent USA, LLC as the sole source supplier for the ArcFM Solution software suite.

Dated this 16th day of APRIL 2018.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE GENERAL
MANAGER TO ENTER INTO A SERVICES
AGREEMENT (SA NO. 18-008) WITH REGENTS OF
THE UNIVERSITY OF COLORADO OF BOULDER, CO
FOR SHORT-TERM HYDRAULIC PLANNING AND
OPTIMIZATION SOFTWARE AND SUPPORT

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District is currently undertaking a project to implement the systems and processes necessary to operate Rocky Reach and Rock Island in the absence of centralized Mid-Columbia coordinated control. In support of this effort, the District would like to implement a hydraulic model to facilitate short-term planning and to help guide the efficient dispatch of the projects. The model will also play a critical role in providing operators the information they need to respond to uncertainty in the factors that affect river operations. A similar model is currently being used by the entity performing the coordination function. This software will replace functionality that will no longer be available at the expiration of the Hourly Coordination Bridge Agreement.

On September 29, 2017 the District solicited proposals pursuant to RCW 39.04.270 to provide short-term hydraulic planning and optimization modeling software. On November 3, 2017 the District received four (4) proposals from prospective firms. The evaluation team reviewed and scored the proposals provided by the prospective firms and found the Regents of The University of Colorado to be the most qualified for the short-term hydraulic planning and optimization modeling. The not-to-exceed amount of the agreement with Regents of The University of Colorado to perform the work is \$563,889, including a contingency.

Resolution No. 17-14215 requires that the Commission, by resolution, authorize Service Agreements that exceed \$500,000.

It is District staff's recommendation that it is in the best interest of the District to enter into a Services Agreement with the Regents of The University of Colorado for the above-described services.

The General Manager of the District has reviewed staff's recommendation and concurs in the same.

ACTION

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

Section 1. The General Manager of the District is hereby authorized to enter into a Services Agreement the Regents of The University of Colorado for short-term hydraulic planning and optimization modeling software and support in an amount of \$563,889. A copy of the Agreement is on file in the offices of the District.

Section 2. The Commission hereby authorizes the General Manager or his/her authorized delegee, to execute future amendments to the Agreement (SA No. 18-008) in accordance with the delegation Resolution No. 17-14215.

DATED this 16TH day of APRIL 2018.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal