

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

REGULAR COMMISSION MEETING

September 18, 2017

AGENDA

STUDY SESSION

10:00 A.M.

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. Distribution System Update
4. Human Performance Improvement

BUSINESS SESSION

1:00 P.M.

Consent Agenda

5. Minutes:

September 5, 2017

6. Vouchers:

Accounts Payable Summary Report dated September 13, 2017:

- a) Vouchers totaling \$5,751,623.33
- b) Approval of Customer Deposit Returns and Conservation Incentive payments for the period August 30, 2017 through September 12, 2017 in the amount of \$13,570.53

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- c) Approval of the net Payrolls, Warrant Nos. 235506 through 235532 and Advice Nos. 639806 through 640584 for the pay period ending September 3, 2017 in the amount of \$1,835,851.88; and
- d) Approval of Warrant Nos. 23745 through 23751 totaling \$2,790.86 for claim payments from the workers' compensation self-insurance fund for the period ending September 11, 2017.

Regular Agenda

- 7. A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1 AND 2, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 16-88 WITH POTELCO, INC., OF SUMNER, WASHINGTON AND AUTHORIZING PAYMENT OF RETAINAGE
- 8. A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1 THROUGH 3, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 17-36 WITH MARINE INDUSTRIAL CONSTRUCTION, LLC, OF WILSONVILLE, OREGON AND AUTHORIZING PAYMENT OF RETAINAGE
- 9. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A SERVICES AGREEMENT (SA NO. 16-116) WITH SIGNAL PERFECTION, LTD OF COLUMBIA, MARYLAND FOR A SYSTEM OPERATIONS VIDEO SYSTEM
- 10. Manager Items
- 11. Commission Items
- 12. Follow-up on Delegation of Action Items from Previous Board Meeting
- 13. Delegation of Action Items
- 14. Additional Public Comment*
- 15. Matters of general business as may necessarily come before the Commission
- 16. 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 evaluate the qualifications of an applicant for public employment or to review the performance of a public employee, as authorized by RCW 42.30.110(1)(g).

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* 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. 16-88 WITH POTELCO, INC., OF SUMNER, 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 December 27, 2016, the District entered into a contract (Bid No. 16-88) with Potelco, Inc., (Contractor) of Sumner, Washington, for McKenzie-Beverly 115kV Upper White Pine Relocation and Construction, in the amount of \$268,819.20. This contract was negotiated pursuant to Resolution No. 16-14084.

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. Additional 1 Year Pole Installation Warranty and Premium for 3.5" Minus Crushed Rock	\$988.40
2. Reconciliation FWO/CO – Contract Price adjustment for Bid items not used in project	<-\$26,500.00>
Total	<-\$25,511.60>

Field Work Order Nos. 1 and 2 result in a net decrease in the contract price for a new revised total price of \$243,307.60 (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 August 23, 2017. 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. 16-88 with Potelco, Inc. for the work specified above, which will result in a net decrease in the purchase price of \$25,511.60, for a total revised contract price of \$243,307.60, plus Washington State sales tax, are hereby ratified.

Section 2. All the contract work required under Bid No. 16-88 was completed on August 23, 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 **18th** day of **September 2017**.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

SEAL

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1 THROUGH 3, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 17-36 WITH MARINE INDUSTRIAL CONSTRUCTION, LLC, OF WILSONVILLE, OREGON 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 March 22, 2017, the District entered into a contract (Bid No. 17-36) with Marine Industrial Construction, LLC (Contractor) of Wilsonville, Oregon for Rocky Reach Spillway Gate Bearing Replacement, in the amount of \$308,700. This contract was negotiated pursuant to Resolution No. 17-14116.

The work in Field Work Order Nos. 1 through 3 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 through 3, which are on file in the offices of the District and summarized as follows:

Field Work Order No.	Amount
1. Extend Contract Time	\$0.00
2. Extend Contract Time	\$0.00
3. Closing/Reconciliation Change Order	\$4,010.00
Total	\$4,010.00

Field Work Order Nos. 1 through 3 result in a net increase in the contract price for a new revised total price of \$312,710 (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 August 28, 2017. 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 through 3, 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 through 3 to Bid No. 17-36 with Marine Industrial Construction, LLC for the work specified above, which will result in a net increase in the purchase price of \$4,010.00, for a total revised contract price of \$312,710, plus Washington State sales tax, are hereby ratified.

Section 2. All the contract work required under Bid No. 17-36 was completed on August 28, 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 18th day of September 2017.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

SEAL

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A SERVICES AGREEMENT (SA NO. 16-116) WITH SIGNAL PERFECTION, LTD OF COLUMBIA, MARYLAND FOR A SYSTEM OPERATIONS VIDEO SYSTEM

FACTUAL BACKGROUND AND REASONS FOR ACTION

On April 4, 2017 the District solicited Request for Proposals (RFP) to provide a system operations video system to replace the existing one that is at end of life. On May 15, 2017 the District received four (4) responses from prospective Proposers. The evaluation team reviewed and scored the Proposals and found Signal Perfection, Ltd. of Columbia, OR to be the most qualified to replace the system operations video system.

Resolution No. 08-13325 requires that the Commission, by resolution, authorize Service Agreements that exceed \$200,000.

Signal Perfection, Ltd. has prepared a proposal to replace the system operations video system for an estimated cost of \$550,228.14. The proposal has been negotiated pursuant to RCW 39.04.270 and Resolution No. 08-13325.

District staff has determined that Signal Perfection, Ltd. is the best qualified company to provide the required services and that the cost for said services of \$550,228.14 is a fair and reasonable price.

It is District staff's recommendation that it is in the best interest of the District to enter into a Services Agreement with Signal Perfection, Ltd. 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 with Signal Perfection, Ltd. for a system operations video system in an amount not to exceed \$550,228.14 without prior Commission approval. A copy of the Agreement is on file in the offices of the District.

DATED this 18TH day of SEPTEMBER 2017.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

SEAL