

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

REGULAR COMMISSION MEETING

NOVEMBER 4, 2019

STUDY SESSION

10:00 AM

1. Pledge of Allegiance and Safety Presentation – Dave Parkhill
2. Approval of the Agenda
Any item on the Consent Agenda shall be subject to transfer to the Regular Agenda upon request of any Commission member
3. Emerging Tech Study – Steve Maher, Our Valley Our Future
4. Quarterly District Performance Plan Update
5. Quarterly Energy Resources Update
6. Quarterly Financial Review and Investment Report
7. Review 2020 Board Meeting Schedule
Proposed motion: To approve the modified regular Board meeting schedule for calendar year 2020 as proposed to accommodate industry meetings moving the following meetings:
 - April 6, 2020, to March 30, 2020
 - April 20, 2020 to April 13, 2020
 - May 4, 2020 to April 27, 2020; and
 - May 18, 2020 to May 11, 2020All meetings to be held in the headquarters board room, 327 North Wenatchee Ave., Wenatchee, WA and all to commence at 10:00 am unless further modified by future Board action
8. Rock Island Facilities Update
9. Unit C1-C7 Update

BUSINESS SESSION

1:00 PM

10. Public Hearing – 2020 Preliminary Budget Presentation

Consent Agenda

11. Minutes of the October 21, 2019 Regular Meeting

12. Vouchers: Accounts Payable Summary Report dated October 30, 2019:

- a. Vouchers totaling \$6,575,791.17;
- b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period October 16, 2019 through October 29, 2019 in the amount of \$24,129.69;
- c. Approval of the net Payroll, Warrant Nos. 236732 through 236752 and Advice Nos. 682449 through 683245 for the pay period ending 10/13/2019 in the amount of \$2,145,395.76;
- d. Approval of Warrant Nos. 26124 through 26161 totaling \$30,248.83 for claim payments from the workers' compensation self-insurance fund for the period ending October 28, 2019.

13. To close the \$300 Petty Cash fund utilized by Dispatch at the Service building due to inactivity and the efficient use of procurement cards

14. A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1-3 AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 19-01 WITH HILDEBRAND CONSTRUCITON INC. OF WENATCHEE, WASHINGTON FOR THE IB5 TENANT IMPROVEMENT PROJECT AND AUTHORIZING PAYMENT OF RETAINAGE

Regular Agenda

15. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NO. 1 AND APPROVAL OF FIELD WORK ORDER/CHANGE ORDER NO. 2 TO CONTRACT 17-78 WITH KEMP WEST, INC FOR 2018 – 2020 DISTRICT TREE TRIMMING

16. A RESOLUTION REJECTING ALL BIDS AND DECLARING THAT NO BIDS WERE RECEIVED FOR ROCKY REACH POLE TOP MOTOR OPERATED DISCONNECTS REPLACEMENT (BID NO. 19-23) AND AUTHORIZING THE ROCKY REACH POLE TOP MOTOR OPERATED DISCONNECTS REPLACEMENT BE OBTAINED BY NEGOTIATION

REGULAR COMMISSION MEETING AGENDA

November 4, 2019

Page 3

17. 2019 Budget Revision

Proposed motion: To increase and ratify the Total Project Budget for Distribution Line Improvement Project (DSXX0007) by \$960,000 for a revised Total Project Budget of \$1.26 million and to decrease other Distribution project budgets for 2019 for the same amount. This will enable a shift in spending between capital projects, but will not change the overall 2019 Distribution capital budget.

18. I-937 Timeline Information

Proposed motion: To set a public hearing for Monday, December 2, 2019 at 1:00pm to discuss setting 10- and two-year conservation targets as required by the state Energy Independence Act

19. Manager Items

20. Commission Items

a. Mid-C Commissioners and General Managers Meeting

Proposed motion: To set a special meeting on November 18, 2019 at 5:30 pm at Tijuana's Restaurant, 709 1st Ave SE, Quincy for the purpose of holding a Mid-C Commissioners and General Managers meeting

21. Commission Travel

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

23. Delegation of Action Items

24. Additional Public Comment

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.

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

26. 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)

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

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1-3 AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 19-01 WITH HILDEBRAND CONSTRUCTION INC. OF WENATCHEE, WASHINGTON FOR THE IB5 TENANT IMPROVEMENT PROJECT 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 May 24, 2019, the District entered into a contract (Bid No. 19-01) with Hildebrand Construction Inc. (Contractor) of Wenatchee, Washington for the IB5 Tenant Improvement Project, in the amount of \$203,369.00. 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 Nos. 1-3 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. 1-3, which are on file in the offices of the District and summarized as follows:

Field Work Order No.	Amount
1. Interior Office Wall Extension	\$4,969.00
2. Additional 1" Conduit Electrical Raceway	\$565.00
3. Installation of lockers for Fiber Crew, additional parking lot striping, new fiber patch panel, irrigation modifications, carpet installation, and revise completion date	\$13,790.06
Total	\$19,324.06

Field Work Order Nos. 1-3 result in a net increase in the contract price of \$19,324.06 for a new revised total contract price of \$222,693.06 (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 October 10, 2019. 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. 1-3 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. 1-3 to Bid No. 19-01 with Hildebrand Construction Inc. for the work specified above, which will result in a net increase in the purchase price of \$19,324.06, for a total revised contract price of \$222,693.06, plus Washington State sales tax, are hereby ratified.

Section 2. All the contract work required under Bid No. 19-01 was completed on October 10, 2019 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 4th day of November 2019.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK
ORDER/CHANGE ORDER NO. 1 AND APPROVAL
OF FIELD WORK ORDER/CHANGE ORDER NO. 2
TO CONTRACT 17-78 WITH KEMP WEST, INC FOR
2018 – 2020 DISTRICT TREE TRIMMING

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 January 12, 2018, the District entered into a contract (Bid No. 17-78) with Kemp West, Inc. of Snohomish, Washington for the 2018 – 2020 District Tree Trimming in an amount not to exceed \$3,000,000. This contract was advertised for public bid and was awarded as required by RCW 54.04.070 and .080. The bid by the Contractor was the low bid and met the District's specifications.

Field Work Order/Change Order No. 1 was executed to adjust the unit prices, and is on file in the offices of the District, which the District's staff recommend be ratified.

District staff desire to execute Field Work Order/Change Order No. 2, exercising the District's option to extend the term of the contract for one (1) year and add additional funds to the contract in the amount of \$1,500,000, for a new revised not to exceed contract price of \$4,500,000 (excluding sales tax), which the District's staff request be approved.

The General Manager of the District concurs with staff's recommendations that Field Work Order/Change Order No. 1 be ratified, and Field Work Order No. 2 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 No. 1 was properly executed pursuant to the authority delegated by Resolution No. 17-14215 and said Field Work Order/Change Order is hereby formally acknowledged and ratified.

Section 2. The General Manager of the District is hereby authorized to execute Field Work Order/Change Order No. 2. A copy of the Field Work Order/Change Order shall be on file in the offices of the District.

DATED this 4th day of November 2019.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION REJECTING ALL BIDS AND DECLARING THAT NO BIDS WERE RECEIVED FOR ROCKY REACH POLE TOP MOTOR OPERATED DISCONNECTS REPLACEMENT (BID NO. 19-23) AND AUTHORIZING THE ROCKY REACH POLE TOP MOTOR OPERATED DISCONNECTS REPLACEMENT BE OBTAINED BY NEGOTIATION

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.

District staff prepared bidding documents for Bid 19-23 Rocky Reach Pole Top Motor Operated Disconnects Replacement. All five bids were within 15% of the engineer's estimate. However, all bidders took exceptions to commercial terms or bid a product other than what was included in the specifications.

Sealed proposals were invited and published in accordance with RCW 54.04.070 and said bids were opened on October 11, 2019 at 2:30 P.M. Pacific Time in the offices of the District.

Five (5) bids were received pursuant to that invitation. The bid proposals either did not meet bid specifications, included material changes to the terms and conditions of the bid, or did not meet all statutory requirements.

District staff is of the opinion that the bids were non-responsive and should be rejected. Resolution No. 17-14215 requires that the rejection of bids must come before the Commission for action when staff is recommending an action other than rebidding.

Pursuant to RCW 54.04.080, the District may procure the work on the open market and negotiate a contract rather than re-advertising if no bids are received. District staff recommends that, due to time constraints and project requirements, the Rocky Reach Pole Top Motor Operated Disconnects Replacement be procured by negotiation, rather than re-advertising for bids.

The General Manager of the District 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 as follows:

Section 1. The bids received to furnish Rocky Reach Pole Top Motor Operated Disconnects Replacement (Bid No. 19-23) are rejected. District staff is authorized to obtain Rocky Reach Pole Top Motor Operated Disconnects Replacement by negotiation and the General Manager (or his designee) is authorized to execute a contract for the same with acceptable terms and conditions.

DATED this 4th day of November 2019.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal