

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

REGULAR COMMISSION MEETING

NOVEMBER 5, 2018

STUDY SESSION

10:00 AM

1. Pledge of Allegiance and Safety Minute – Ben Field
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. Rock Island Hydro Update
4. Quarterly Financial Review and Investment Report
5. North Mid-Columbia Joint Transmission
6. Quarterly District Performance Plan Update

BUSINESS SESSION

1:00 PM

7. Public Hearing – 2019 Preliminary Budget Presentation

Consent Agenda

8. Minutes of the October 15, 2018 Regular Meeting
9. Vouchers: Accounts Payable Summary Report dated October 31, 2018:
 - a. Vouchers totaling \$17,515,646.93;
 - b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period October 10, 2018 through October 30, 2018 in the amount of \$46,855.51;

- c. Approval of the net Payrolls, Warrant Nos. 236209 through 236230 and Advice Nos. 662063 through 662848 for the pay period ending 10/14/2018 in the amount of \$2,042,910.70; and
- d. Approval of Warrant Nos. 24887 through 24972 totaling \$61,382.94 for claim payments from the workers' compensation self-insurance fund for the period ending October 29, 2018.
- e. Charge-Offs to Uncollectible Accounts over \$1,000.00 for September 2018 in the amount of \$2,872.24

Regular Agenda

10. A RESOLUTION DECLARING CORRIDOR COMPANY, INC. OF WAKEFIELD, MASSACHUSETTS AS THE SOLE SOURCE SUPPLIER OF CONTRACTS 365 SOFTWARE, AND AUTHORIZING AMENDMENT NO. 1 TO SYSTEM AGREEMENT (SA NO. 17-194) WITH CORRIDOR COMPANY, INC.
11. A RESOLUTION AMENDING SCHEDULE NO. 6 OF THE DISTRICT'S INVESTMENT AND BANKING POLICY ADOPTED BY RESOLUTION NO. 16-14094 TO UPDATE THE LIST OF EMPLOYEES AUTHORIZED TO DISBURSE DISTRICT FUNDS
12. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO AN ENABLING AGREEMENT (PSA NO. 18-065) WITH PEER TECHNICAL, INCORPORATED FOR TEMPORARY EMPLOYEE SERVICES
13. Manager Items
14. Commission Items
 - a. Proposed Motion to Set Upcoming Meetings:
Move to set the following special meetings:
 - On November 13, 2018, at 5:30pm at Tijuana's Mexican Restaurant, 709 1st Avenue Southeast, Quincy, Washington, for the purpose of holding a Mid-C Commissioners and General Managers meeting
 - On November 20, 2018, at 1:00pm at the Chelan County Office, 400 Douglas Street, Wenatchee, for the purpose of holding a Tri-Commission meeting
15. Commissioner Travel
16. Follow-up on Delegation of Action Items from Previous Board Meeting

REGULAR COMMISSION MEETING AGENDA

November 5, 2018

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17. Delegation of Action Items

18. 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.

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

20. 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 DECLARING CORRIDOR COMPANY, INC. OF WAKEFIELD, MASSACHUSETTS AS THE SOLE SOURCE SUPPLIER OF CONTRACTS 365 SOFTWARE, AND AUTHORIZING AMENDMENT NO. 1 TO SYSTEM AGREEMENT (SA NO. 17-194) WITH CORRIDOR COMPANY, INC.

FACTUAL BACKGROUND AND REASONS FOR ACTION

Resolution No. 18-14231 provided the authorization to enter into a sole source System Agreement (SA) 17-194 with Corridor Company, Inc. (Contractor). Under that SA, the District procured the cm.app software, and began implementation with Contractor. During the implementation period, new advances in technology from the Contractor, and advances in the District's IT cloud research provided an opportunity to move this software to the cloud, providing the District additional features and consolidation of systems. The cloud based version of the software is Contracts 365.

Corridor Company, Inc. has developed the Contracts 365 software for contract management. Use of this software will provide greater visibility, searching, document management, and process improvement to the contracting process.

Corridor Company, Inc. is the sole software provider in the District's region and has provided the District with a letter certifying that they are the sole distributor of the Contracts 365 software and that the District is receiving the lowest price they offer to similar situated 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 (\$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 Corridor Company, Inc. as the sole source supplier for Contracts 365 software and implementation services. Staff also recommends that the competitive bidding requirements of RCW 54.04.070 be waived.

District staff recommends that it is in the best interest of the District to amend System Agreement No. 17-194 with Corridor Company, Inc. to purchase the Contracts 365 software as a service in the amount of \$268,140.78, for a total revised contract price not to exceed \$970,457.78, for the initial 5 year and 5 month term.

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 Corridor Company, Inc. to be the sole source supplier for Contract 365 software.

Section 2. The competitive bidding requirements of RCW 54.04.070 are hereby waived due to the designation of Corridor Company, Inc. as the sole source supplier for cm.app software.

Section 3. The General Manager is hereby authorized to execute an Amendment to System Agreement (SA No. 17-194) with Corridor Company, Inc. to provide the replacement software identified above. The revised contract price will not exceed \$970,457.78 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

Dated this 5th day of November 2018.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AMENDING SCHEDULE NO. 6 OF THE DISTRICT'S INVESTMENT AND BANKING POLICY ADOPTED BY RESOLUTION NO. 16-14094 TO UPDATE THE LIST OF EMPLOYEES AUTHORIZED TO DISBURSE DISTRICT FUNDS

FACTUAL BACKGROUND AND REASONS FOR ACTION

The Commission of Public Utility District No. 1 of Chelan County, Washington (the "District"), adopted the District's Investment and Banking Policy (the "Policy") under Resolution No. 16-14094 on November 21, 2016 and amended the Policy by Resolution 17-14161 adopted on August 7, 2017.

From time to time, updates and changes must be made to the Policy to reflect updates in best practices, changes in business conditions, staffing or banking institutions.

District staff has reviewed the current Policy and recommends that Schedule No. 6 be updated. Schedule No. 6 designates District employees who, under the direction of the Auditor, shall be authorized initiators for electronic funds transfers. This schedule should be modified to reflect staffing and process changes in Accounting and Payroll with the addition of Irene Godfrey, Beth Miracle and Lorna Klemanski.

District staff recommends that it is in the best interest of the District to adopt the amendment to Schedule No. 6. The General Manager concurs with this recommendation.

ACTION

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

Section 1. Initiation of Electronic Funds Transfers. Any individual authorized in Schedule No. 6, in addition to those individuals authorized in Schedule No. 3 in Resolution 16-14094, can initiate Electronic Fund Transfers (EFT) through the District's main banking institution to vendors approved by the Treasurer or designee.

Section 2. Resolution No. 16-14094 is hereby amended accordingly to reflect the changes to Schedule No. 6. The remainder of Resolutions No. 16-14094, 17-14161 and the Policy remain in full force and effect.

Dated this 5th day of November 2018.

ATTEST:

President

Vice President

Secretary

Commissioner

Commissioner

S E A L

SCHEDULE NO. 6

AUTHORIZED INITIATORS FOR ELECTRONIC FUNDS TRANSFERS

All individuals listed under Schedule No. 3 of this Policy.

The following are only authorized to initiate transfers that are payroll related:

Kathy Cowin

Jennifer Dixon

Beverly Freeman

Lorna Klemanski

Tracey Pettit

The following are only authorized to initiate transfers that are for state and federal tax payments:

Gene Cenotto

Loretta Coonfield

Irene Godfrey

Jodi Martin

Melia Mayer

Beth Miracle

Amy Smith

November 2018

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE GENERAL
MANAGER TO ENTER INTO AN ENABLING
AGREEMENT (PSA NO. 18-065) WITH PEER
TECHNICAL, INCORPORATED FOR TEMPORARY
EMPLOYEE SERVICES

FACTUAL BACKGROUND AND REASONS FOR ACTION

In 2006, the District entered into an Enabling Agreement with Peer Technical, Incorporated (Peer) for staffing augmentation services (PSA 06-073). Today, the District still needs Peer to recruit and provide its employees (Assigned Employees) to assist the District staff where District staff is not available. However, since 2006, the laws have evolved regarding the use of staffing agency services. The new Enabling Agreement is meant to supersede the 2006 Enabling Agreement and address current Federal and State requirements and District procurement standards.

District staff has determined that Peer is qualified to recruit and provide its Assigned Employees at a price that is fair and reasonable. Peer's Assigned Employees will be used for services such as construction projects, IT business support, administrative support, and other services as specifically identified within each Project Confirmation Agreement.

The total costs for the services to be provided by Peer shall not exceed \$2,500,000 per year for a five year period from 2019 - 2023 without prior Commission approval. Actual amounts paid to Peer (inclusive of all fees and costs incurred by Peer in the performance of the Project Confirmation Agreements) will be based upon invoices and verification by District staff.

It is District staff's recommendation that it is in the best interest of the District to enter into a new Enabling Agreement with Peer.

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

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 Enabling Agreement (PSA) 18-065 with Peer Technical Inc. for staff augmentation services in an amount not to exceed \$2,500,000 per year for a five year period from 2019 – 2023 without prior Commission approval. A copy of the Agreement is on file in the offices of the District. .

DATED this 5th day of November 2018.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal