

**PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY  
203 OLDS STATION ROAD  
WENATCHEE WA 98801**

**REGULAR COMMISSION MEETING**

**FEBRUARY 5, 2024**

**STUDY SESSION**

**10:00 AM**

1. Pledge of Allegiance and Safety/H&OP Minute – Rachel Hansen
2. Approval of the Agenda
3. Quarterly District Performance Plan Status Update
4. Columbia River System Operations Settlement Update
5. Legislative Update
6. Peshastin Water District Acquisition Rate Adder Discussion
7. Public Comment  
*Time reserved for public comments or questions related to matters not covered by the agenda*

**BUSINESS SESSION**

**1:00 PM**

**Consent Agenda**

8. Minutes of the January 22, 2024 Regular Meeting and January 26, 2024 Board Workshop
9. Vouchers: Accounts Payable Summary Report dated January 30, 2024:
  - a. Vouchers totaling \$16,360,936.41;
  - b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period January 16, 2024 through January 29, 2024 in the amount of \$52,578.30.
  - c. Approval of the net Payroll, Warrant Nos. 238356 through 238368 and Advice Nos. 770721 through 771517 for the pay period ending January 14, 2024 in the amount of \$2,629,495.09.

REGULAR COMMISSION MEETING AGENDA

February 5, 2024

Page 2

- d. Approval of Warrant Nos. 30614 through 30721 totaling \$49,603.93 for claim payments from the workers' compensation self-insurance fund for the period ending January 29, 2024.
  - e. Approval of Parks Reservation System customer refunds for the period January 16, 2024 through January 29, 2024 in the amount of \$280.00.
10. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1-9, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 20-17 WITH HALME BUILDERS, INC. OF DAVENPORT, WASHINGTON FOR SYSTEM OPERATIONS BACKUP CONTROL CENTER AND AUTHORIZING PAYMENT OF RETAINAGE
11. A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1, 2, 3 AND 4, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER CONTRACT NO. 22-12367 WITH MICHELS PACIFIC ENERGY, INC. OF TUMWATER, WA, AND AUTHORIZING PAYMENT OF RETAINAGE

**Regular Agenda**

12. A RESOLUTION AMENDING THE DISTRICT'S WATER RATE SCHEDULES TO ESTABLISH A BASIC MONTHLY CHARGE FOR 8" WATER METERS AND WAREHOUSE TANK SURCHARGES
13. A RESOLUTION AUTHORIZING A LOAN FROM THE FINANCING FACILITIES SYSTEM TO THE WATER SYSTEM TO RETIRE AND REPLACE EXISTING PESHASTIN WATER DISTRICT LOANS IN AN AMOUNT NOT TO EXCEED \$1,040,000
14. A RESOLUTION AUTHORIZING AMENDMENT NO. 8 TO SERVICES AGREEMENT (SA-TA NO. 18-024) WITH POWER ENGINEERS, INC. TO PROVIDE GIS SYSTEM CONSULTING SERVICES AND ASSISTANCE
15. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A MASTER INTERLOCAL AGREEMENT (SA 23-13264) WITH CITY OF WENATCHEE
16. Manager Items
17. Commissioner Travel
18. Commission Items
19. Follow-up on Delegation of Action Items from Previous Board Meeting
20. Delegation of Action Items
21. Additional Public Comment

REGULAR COMMISSION MEETING AGENDA

February 5, 2024

Page 3

22. Matters of general business as may necessarily come before the Commission
  
23. 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) and to review the performance of a public employee, as authorized by RCW 42.30.110(1)(g) for \_\_\_ minutes

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

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1-9, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 20-17 WITH HALME BUILDERS, INC. OF DAVENPORT, WASHINGTON FOR SYSTEM OPERATIONS BACKUP CONTROL CENTER AND AUTHORIZING PAYMENT OF RETAINAGE

**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. Authority was also granted to the General Manager and the staff to execute field work order/change orders under certain circumstances.

This contract was advertised for public bid as required by RCW 54.04.070 and .080. One bid was received that exceeded the engineer's estimate by more than 15%. On March 7, 2022, by Resolution 22-14638, the Commission of the District determined the one bid received to be non-responsive and authorized staff to procure the System Operations Backup Control Center by negotiation pursuant to RCW 54.04.080. Subsequently, three contractors were contacted for pricing. A negotiated contract was executed on June 6, 2022 with Halme Builders, Inc. (Contractor) of Davenport, Washington as the lowest negotiated price in the amount of \$1,870,000.

The work in Field Work Order/Change Order Nos. 1-9 consists of conditions and work not anticipated or included in the original contract but within the scope of the contract. The Contract time was extended due to material delays for electrical parts, lead abatement, and additional testing and commissioning. The District's staff has executed Field Work Order/Change Order Nos. 1-9, which are on file in the offices of the District and summarized as follows:

<b>FWO/CO Nos.</b>	<b>Amount</b>
1. Miscellaneous Construction Changes requested by the District	\$22,903
2. Additional duct modifications, wall patching and painting, data outlet, and turnstile glass obscuring not shown on the Contract Drawings	\$10,841
3. Contract Time Extension due to additional lead paint abatement needed	\$0
4. Contract Time Extension due to material delays for electrical repairs	\$0
5. Contract Time Extension due to needed coordination for a power outage to tie into the existing UPS system.	\$0
6. Contract Time Extension for a District-requested electrical modification to the power taps in the data center	\$0
7. Add a top to the turnstile; lead paint abatement; additional control integration; provide and install transformers to facilitate the 277vDC at the condensing units on the roof and the circulating pumps for the water-source heat pump; replace damaged condensing unit circuit boards	\$77,746
8. Contract Time Extension required for additional commissioning	\$0

9. Extend power to the IDF cage and replace the Starline Bus Taps to match the required power needs in the racks	\$22,222
<b>Total</b>	<b>\$133,712</b>

Field Work Order/Change Order Nos. 1-9 result in an increase of the contract price for a new revised total price of \$2,003,712 (excluding sales tax) and District staff recommends they be ratified. Resolution No. 17-14215 provides that this type of field work order/change 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 16, 2024. In accordance with the terms of the contract, retainage in an amount not exceeding 5% of the contract spend 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/Change Order Nos. 1-9 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 NOS. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. The Commission finds that Field Work Order/Change Order Nos. 1-9 to Bid No. 20-17 with Halme Builders, Inc. for the work specified above, were properly executed pursuant to the authority delegated by Resolution No. 17-14215 and said Field Work Order/Change Orders are hereby formally acknowledged and ratified resulting in a net increase of \$133,712 in the contract price, for a total revised contract price of \$2,003,712, plus Washington State sales tax.

Section 2. All the contract work required under Bid No. 20-17 was completed on January 16, 2024, 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 5th day of February 2024.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1, 2, 3 AND 4, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER CONTRACT NO. 22-12367 WITH MICHELS PACIFIC ENERGY, INC. OF TUMWATER, WA, AND AUTHORIZING PAYMENT OF RETAINAGE

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

Public Utility District No. 1 of Chelan County (District) adopted Resolution No. 22-14688 on August 15, 2022 which authorized the District to advertise, award and execute a contract for Bid No. 22-12367 for North Shore Lake Chelan Substation Construction project. The contract was executed on January 3, 2023 with Michels Pacific Energy, Inc. (Contractor) of Tumwater, WA in the amount of \$3,527,441.37.

The District Commission by Resolution No. 17-14215 delegated limited authority to the General Manager and the staff to execute field work orders under certain circumstances.

The work in Field Work Order Nos. 1, 2, 3 and 4 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, 2, 3 and 4, which are on file in the offices of the District and summarized as follows:

<b>Field Work Order No.</b>	<b>Amount</b>
1. Field Changes – July 2023 to include additional grounding well drilling and testing costs, electrical feeder thermal backfill testing costs, and additional concrete pump truck mobilization due to transformer delivery logistics.	\$41,328.15
2. Field Changes – August 2023 to include additional site access design, revision, and unsuitable material disposal; additional site flexible base fill required due to larger than anticipated quantities of unsuitable site materials; foundation, conduit, and culvert revisions; and circuit switcher and switch assembly modifications.	\$149,365.73
3. Field Changes – September 2023 to include addition of a transformer containment area sump pump junction box, and additional paving at the intersection of Henderson Road and Sage Ranch Lane.	\$25,599.17
4. Field Changes – October 2023 to include irrigation revisions, bus and jumper hardware revisions, grounding	\$7,998.66

<b>Field Work Order No.</b>	<b>Amount</b>
revisions, and reconciliation of the rock excavation allowance that was not used.	
<b>Total</b>	<b>\$224,291.71</b>

Field Work Order Nos. 1, 2, 3 and 4 result in a net increase of \$224,291.71 in the contract price for a new revised total price of \$3,751,733.08 (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 January 9, 2024. 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, 2, 3 and 4 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, 2, 3 and 4 to Contract No. 22-12367 with Michels Pacific Energy, Inc. for the work specified above, which will result in a net increase in the contract price of \$224,291.71, for a total revised contract price of \$3,751,733.08, plus Washington State sales tax, is hereby ratified.

Section 2. All the contract work required under Contract No. 22-12367 was completed on January 9, 2024 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 5th day of February 2024.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AMENDING THE DISTRICT'S  
WATER RATE SCHEDULES TO ESTABLISH A BASIC  
MONTHLY CHARGE FOR 8" WATER METERS AND  
WAREHOUSE TANK SURCHARGES

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

Public Utility District No. 1 of Chelan County ("District"), in compliance with RCW 54.24.080, is required to establish, maintain, and collect rates and charges for electric energy and water and other services, facilities, and commodities sold, furnished, or supplied by the District.

Pursuant to RCW 54.16.030, the District has the authority to acquire and operate waterworks and irrigation plants and systems for the purpose of furnishing inhabitants of the District's service territory with water for all uses. In response to a request made by the Peshastin Water District ("PWD") that the District acquire and operate the PWD systems, the District Commissioners authorized the General Manager to negotiate and execute a water system transfer agreement with the PWD. The agreement was executed in September 2023 with an anticipated closing to occur in March 2024.

The District plans to initially integrate the existing PWD customers into the District systems and existing water rates. However, there is also a need to establish tank surcharges for the small and large warehouses that exist on the PWD system that do not currently exist in the District's systems or rates.

There is also a need to establish a monthly basic charge for 8" industrial water meters that also exist on the PWD system and not the District's existing systems, rates and charges.

District staff recommends that it is in the best interest of the District to amend the Water Rate Schedules as described herein.

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. The water rates set forth in Exhibit "A" attached hereto are determined to be fair, reasonable, necessary and non-discriminatory. Effective immediately, the District's Water Rate Schedules shall be amended by adding a basic

monthly charge for 8” industrial water meters, and tank surcharge rates for the applicable customers described herein.

Section 2. The adoption of this rate resolution is not a major act under the State Environmental Policy Act, and as such is categorically exempt under S.E.P.A guidelines, WAC 197-11-800(14)(i).

Section 3. All prior resolutions inconsistent with this resolution are hereby rescinded and superseded.

Dated this 5th day of February 2024.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

**ATTACHMENT “A”****Water Rate Schedules****Residential Water Service**

District Water Systems (Wenatchee, Squilchuck, Dryden, Ollalla, Peshastin, and Chelan Ridge)

<b>Basic Monthly Charge – Residential Service (per meter size)</b>						
	4/1/2019	12/1/2020	6/1/2021	6/1/2022	6/1/2023	6/1/2024
5/8"	\$33.30	\$34.65	\$36.00	\$37.40	\$38.90	\$40.50
1"	\$40.00	\$41.60	\$43.20	\$44.90	\$46.70	\$48.60
1 ½"	\$53.30	\$55.40	\$57.60	\$59.80	\$62.20	\$64.80
2"	\$73.30	\$76.20	\$79.20	\$82.30	\$85.60	\$89.10
3"	\$239.80	\$249.50	\$259.20	\$269.30	\$280.10	\$291.60

<b>Residential Quantity Rate (Per 1,000 gallons, per month)</b>						
	4/1/2019	12/1/2020	6/1/2021	6/1/2022	6/1/2023	6/1/2024
First 3,000	\$2.65	\$2.75	\$2.85	\$3.00	\$3.10	\$3.20
3000 – 10,000	\$3.50	\$3.65	\$3.80	\$3.95	\$4.10	\$4.25
Over 10,000	\$4.35	\$4.50	\$4.70	\$4.90	\$5.10	\$5.30

A rate discount is available to all qualifying low-income seniors 62 years and older and low-income disabled as provided for in State of Washington R.C.W. 74.38.070. The rate discount will not exceed the amount of the monthly bill and will be applied to one residential water account only.

<b>Residential Water Discount</b>						
	4/1/2019	12/1/2020	6/1/2021	6/1/2022	6/1/2023	6/1/2024
Discount	\$9.50	\$9.90	\$10.30	\$10.70	\$11.10	\$11.55

**QUALIFYING CRITERIA FOR LOW-INCOME SENIORS**

1. Age 62 years or older prior to or during the month in which the discount is to apply.
2. Total household income including his or her spouse or co-tenant does not exceed the amount specified in R.C.W. 84.36.381 (5)(b).
3. Ownership or occupancy as head of household residing therein at certain property being served water within the District’s service area.

**LOW-INCOME DISABLED**

1. Physical disability prior to application.
2. Special parking privileges as defined in State of Washington R.C.W. 46.19.010 or a blind person as defined in R.C.W. 74.18.020.
3. Household income does not exceed 125% of Federal Poverty Income Guidelines.
4. Ownership or occupancy as head of household residing therein at certain property being served water within the District’s service area.

## Commercial and Industrial Services

District Water Systems (Wenatchee, Squilchuck, Dryden, Ollala, Peshastin, and Chelan Ridge)

Basic Monthly Charge – Commercial and Industrial Service (per meter size)						
	4/1/2019	12/1/2020	6/1/2021	6/1/2022	6/1/2023	6/1/2024
5/8"	\$60.00	\$62.00	\$64.50	\$67.00	\$70.00	\$73.00
1"	\$72.00	\$74.00	\$77.00	\$80.00	\$84.00	\$88.00
1 ½"	\$90.00	\$93.00	\$97.00	\$101.00	\$105.00	\$110.00
2"	\$132.00	\$136.00	\$142.00	\$147.00	\$154.00	\$161.00
3"	\$432.00	\$446.00	\$464.00	\$482.00	\$504.00	\$526.00
4"	\$546.00	\$564.00	\$587.00	\$610.00	\$637.00	\$664.00
6"	\$804.00	\$836.00	\$869.00	\$904.00	\$940.00	\$978.00
8"					\$1,312.00	\$1,367.00

Commercial and Industrial Quantity Rate (Per 1,000 gallons, per month)						
	4/1/2019	12/1/2020	6/1/2021	6/1/2022	6/1/2023	6/1/2024
Per 1,000	\$3.35	\$3.50	\$3.65	\$3.80	\$3.95	\$4.10

**ADDITIONAL RATE LINE ITEMS**

Each Additional Unit Monthly Charge						
	4/1/2019	12/1/2020	6/1/2021	6/1/2022	6/1/2023	6/1/2024
Per Month	\$21.00	\$21.85	\$22.75	\$23.70	\$24.50	\$25.50

Chelan Ridge privately owned lots (no meter)						
	4/1/2019	12/1/2020	6/1/2021	6/1/2022	6/1/2023	6/1/2024
Per Month	\$33.00	\$34.50	\$35.90	\$37.30	\$38.80	\$40.40

Peshastin Industrial Monthly Tank Surcharge*						
					3/1/2024	6/1/2024
Small Warehouse					\$210.36	\$210.36
Large Warehouse					\$5,721.36	\$5,721.36

\*Tank surcharge assessments commence upon system acquisition and will end March 2034

Fire Sprinkler Service Rate

DISTRICT SYSTEMS WENATCHEE; SQUILCHUCK; DRYDEN; AND PESHASTIN

Monthly Charge (per connection size)						
	4/1/2019	12/1/2020	6/1/2021	6/1/2022	6/1/2023	6/1/2024
2"	\$31.00	\$32.00	\$33.50	\$35.00	\$36.50	\$38.00
3"	\$42.50	\$44.00	\$46.00	\$48.00	\$50.00	\$52.00
4"	\$53.00	\$55.00	\$57.00	\$59.00	\$61.00	\$63.50
6"	\$106.00	\$110.00	\$115.00	\$120.00	\$125.00	\$130.00
8"	\$160.00	\$166.00	\$173.00	\$180.00	\$187.00	\$195.00
10"	\$212.00	\$220.00	\$229.00	\$238.00	\$245.00	\$255.00
12"	\$265.00	\$276.00	\$287.00	\$298.00	\$310.00	\$322.00

Fire Sprinkler Quantity Rate (Per 1,000 gallons, per month)						
	4/1/2019	12/1/2020	6/1/2021	6/1/2022	6/1/2023	6/1/2024
Per 1,000	\$3.35	\$3.50	\$3.65	\$3.80	\$3.95	\$4.10

Private Fire Hydrant Service Rate

DISTRICT SYSTEMS WENATCHEE; SQUILCHUCK; DRYDEN; PESHASTIN; AND CHELAN RIDGE

Private Fire Hydrant Service Rate (per month)						
	4/1/2019	12/1/2020	6/1/2021	6/1/2022	6/1/2023	6/1/2024
Each	\$12.50	\$13.00	\$13.50	\$14.00	\$14.50	\$15.00

Hydrant Valve Charges

DISTRICT SYSTEMS WENATCHEE; SQUILCHUCK; PESHASTIN; AND CHELAN RIDGE

Hydrant Valve Charges Daily Use Charge (valve plus water)						
	4/1/2019	12/1/2020	6/1/2021	6/1/2022	6/1/2023	6/1/2024
District owned	\$19.65	\$20.40	\$21.20	\$22.00	\$22.80	\$23.75
Customer owned	\$19.65	\$20.40	\$21.20	\$22.00	\$22.80	\$23.75

Fire Hydrant Use plus water						
	4/1/2019	12/1/2020	6/1/2021	6/1/2022	6/1/2023	6/1/2024
District owned	\$19.65	\$20.40	\$21.20	\$22.00	\$22.80	\$23.75
Customer owned	\$19.65	\$20.40	\$21.20	\$22.00	\$22.80	\$23.75

Water Quantity Rate (Per 1,000 gal, per month)						
	4/1/2019	12/1/2020	6/1/2021	6/1/2022	6/1/2023	6/1/2024
Per 1,000	\$3.35	\$3.50	\$3.85	\$3.80	\$3.95	\$4.10

**TAX ADJUSTMENT:**

The amount of tax levied by any city or town in accordance with R.C.W. 54.28.070, of the Laws of the State of Washington, will be added to all applicable charges for water sold within the limits of any such city or town.

**SERVICE POLICY:**

Service under this schedule is subject to the rules and regulations as defined in the District's Utility Service Regulations.

**EFFECTIVE:** February 18, 2020

**AMENDED:** February 5, 2024

## Chelan Falls Water System

This system is owned by the Chelan Falls Water District and is operated and maintained by Chelan County Public Utility District.

Residential, Commercial and Industrial Service

**RATE SCHEDULES RESIDENTIAL (611); COMMERCIAL (621); AND INDUSTRIAL (631)**

Chelan Falls Water Rates (Basic charge, per month)						
	12/31/2021	6/1/2022	6/1/2023	6/1/2024	6/1/2025	6/1/2026
Residential	\$44.72	\$45.35	\$45.95	\$46.65	\$47.30	\$48.05
Commercial	\$100.61	\$104.65	\$108.80	\$113.15	\$117.70	\$122.40
Industrial	\$1,117.95	\$1,162.65	\$1,209.20	\$1,257.55	\$1,307.85	\$1,360.15
Residential Quantity Rate (per 1,000 gallons, per month)						
	12/31/2021	6/1/2022	6/1/2023	6/1/2024	6/1/2025	6/1/2026
First 3,000	\$0.94	\$1.05	\$1.15	\$1.25	\$1.40	\$1.50
3,001 to 10,000	\$1.19	\$1.30	\$1.45	\$1.60	\$1.75	\$1.90
Over 10,000	\$1.77	\$1.95	\$2.15	\$2.40	\$2.60	\$2.85
Commercial and Industrial Quantity Rate (per 1,000 gallons, per month)						
	12/31/2021	6/1/2022	6/1/2023	6/1/2024	6/1/2025	6/1/2026
Per 1,000	\$0.94	\$1.30	\$1.45	\$1.60	\$1.75	\$1.90
Additional Units (per month)						
	12/31/2021	6/1/2022	6/1/2023	6/1/2024	6/1/2025	6/1/2026
Each	\$24.70	\$25.70	\$26.70	\$27.80	\$28.90	\$30.05

**RATE DISCOUNT:**

A rate discount is available to all qualifying low-income seniors 62 years and older and low-income disabled as provided for in State of Washington R.C.W. 74.38.070. The rate discount will not exceed the amount of the monthly bill and will be applied to one residential water account only. See page 2 for qualifying criteria.

Residential Water Discount						
	12/31/2021	6/1/2022	6/1/2023	6/1/2024	6/1/2025	6/1/2026
Discount	\$13.75	\$14.30	\$14.85	\$15.45	\$16.10	\$16.70



## Chelan Falls Hydrant Valve Charges

Water consumption will be charged at the commercial quantity rate charged for the system it is used on.

**RATE SCHEDULES DISTRICT (641); CUSTOMER (642); AND INTER-DEPT (643)**

Hydrant Valve Charges Daily Use Charge (Valve plus water)						
	12/31/2021	6/1/2022	6/1/2023	6/1/2024	6/1/2025	6/1/2026
District owned	\$10.00	\$10.50	\$11.00	\$11.50	\$12.00	\$12.50
Customer owned	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Fire Hydrant Use plus Water						
	12/31/2021	6/1/2022	6/1/2023	6/1/2024	6/1/2025	6/1/2026
District owned	\$10.00	\$10.50	\$11.00	\$11.50	\$12.00	\$12.50
Customer owned	\$10.00	\$10.50	\$11.00	\$11.50	\$12.00	\$12.50

## Fire Sprinkler Service Rate

**RATE SCHEDULE 681**

Fire Sprinkler Service Monthly Charge (per connection size)						
	12/31/2021	6/1/2022	6/1/2023	6/1/2024	6/1/2025	6/1/2026
2"	\$44.72	\$46.50	\$48.35	\$50.30	\$52.30	\$54.40
3"	\$61.44	\$63.90	\$66.45	\$69.10	\$71.90	\$74.75
4"	\$76.84	\$79.90	\$83.10	\$86.45	\$89.90	\$93.50
6"	\$153.42	\$159.50	\$165.95	\$172.60	\$179.50	\$186.65
8"	\$230.56	\$239.80	\$249.35	\$259.35	\$269.70	\$280.50
10"	\$306.80	\$319.05	\$331.85	\$345.10	\$358.90	\$373.25

Fire Sprinkler Quantity Rate (per 1,000 gal)						
	12/31/2021	6/1/2022	6/1/2023	6/1/2024	6/1/2025	6/1/2026
Per 1,000	\$5.18	\$5.40	\$5.60	\$5.85	\$6.05	\$6.30

## Private Fire Hydrant Service Rate

**RATE SCHEDULE 682**

Private Fire Hydrant Service Rate (per month)						
	12/31/2021	6/1/2022	6/1/2023	6/1/2024	6/1/2025	6/1/2026
Each	\$18.02	\$18.75	\$19.50	\$20.25	\$21.10	\$21.90

**TAX ADJUSTMENT:**

The amount of tax levied by any city or town in accordance with R.C.W. 54.28.070, of the laws of the State of Washington, will be added to the above charges for water sold within the limits of any such city or town.

**SERVICE POLICY:**

Service under this schedule is subject to the rules and regulations as defined in the District's Utility Service Regulations.

**EFFECTIVE:** April 19, 2022 by Resolution 22-01

*Rate increases are approved by Chelan Falls Water District's Board of Commissioners, Clyde McCullough, president*

## Resolution History

Resolution No.	Date	Description
91-9122	December 1, 1991	All Systems
93-9579	May 1, 1993	All Systems
CFWD 93-1	June 8, 1993	Chelan Falls
97-10658	February 3, 1997	Chelan Ridge
98-10970	March 30, 1998	Ollala Canyon, Dryden, Wenatchee
Commission Motion	October 1, 1998	Squilchuck Debt Service Adjustment
99-11350	December 20, 1999	All Systems
00-11626	December 4, 2000	All Systems
01-11764	April 23, 2001	All Systems
02-12057	April 1, 2002	All Systems, except Chelan Falls
03-12467	December 8, 2003	All Systems, except Chelan Falls
CFWD 07-03	March 6, 2007	Chelan Falls
07-13162	September 10, 2007	All District Owned Systems
08-13395	October 27, 2008	All District Owned Systems
11-13624	February 7, 2011	All District Owned Systems
CFWD 12-1	February 7, 2012	Chelan Falls
12-13708	March 5, 2012	All District Owned Systems
14-13860	March 3, 2014	All District Owned Systems
15-13975	August 17, 2015	All District Owned Systems
CFWD 15-1	October 20, 2015	Chelan Falls
17-14167	August 21, 2017	All District Owned Systems
20-14424	February 18, 2020	All District Owned Systems
20-14444	April 13, 2020	All District Owned Systems
22-01	April 19, 2022	Chelan Falls

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING A LOAN FROM THE FINANCING FACILITIES SYSTEM TO THE WATER SYSTEM TO RETIRE AND REPLACE EXISTING PESHASTIN WATER DISTRICT LOANS IN AN AMOUNT NOT TO EXCEED \$1,040,000

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

In response to a request made by Peshastin Water District (“PWD”) to acquire and operate the PWD systems, the District Commissioners authorized the General Manager to negotiate and execute a water system transfer agreement with the PWD. The agreement was executed in September 2023 with an anticipated closing to occur in March 2024. The agreement requires the payoff of all outstanding external liabilities of the PWD at closing. In accordance with the 2024 Budget adopted on December 4, 2023, retirement of two remaining external PWD debt obligations will require funding over and above the amount of Water System cash anticipated to be available during the same periods.

The District’s strategy regarding funding of capital projects has been to use internal funds when available and in the best interest of the District. The Financing Facilities System cash balance was \$41 million as of December 31, 2023. Further, the District’s total financial liquidity was \$540 million as of December 31, 2023, well in excess of the current financial policy targets. Therefore, there are sufficient internal funds available to effectively retire the PWD’s external loans and replace them with an internal loan.

District Resolution No. 13-13830 adopted by the Commission on December 2, 2013, establishes internal loan procedures. Said Resolution further provides guidance for loans to District systems other than Rocky Reach and Rock Island. Per the Resolution, the loan term shall be no greater than 20 years and have a market based tax-exempt interest rate assuming the underlying long-term credit rating of the District, unless otherwise specified by the Commission. In accordance with that Resolution, the District’s Asset Liability Management Committee has reviewed and determined the need for loans to the Water System with consideration for funding requirements to assume the operations of the PWD. The Asset Liability Management Committee has also reviewed the sources for loans with consideration for individual system cash balances and forecasted uses.

As a result, the Treasurer and Asset Liability Management Committee recommend the Financing Facilities System issue a loan adequate to pay off and replace existing debt owed by the PWD in an amount not to exceed \$1,040,000. This amount would be sufficient to retire the external PWD obligations and fund a loan reserve. Existing PWD cash on hand at the time of closing would be available to support forecasted capital project funding needs. Staff further recommends that the loan term be 10 years to align with the remaining term of the external loans that are

being retired and the loan rate be 3.0% based on December 31, 2023 market interest rates. With these terms, the replacement internal loan would have debt service requirements materially similar to the existing PWD external obligations.

The Chief Finance/Risk Officer and General Manager concur with staff's recommendation.

**ACTION**

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

Section 1. It is in the best interest of the District to loan funds from the Financing Facilities System to the Water System to pay off and replace the existing debt of the PWD in an amount not to exceed \$1,040,000.

Section 2. The Water System replacement loan shall be repaid with interest in accordance with the procedures specified in District Resolution No. 13-13830. The loan term shall be 10 years and have a fixed interest rate of 3.0%, based on a tax-exempt AA revenue bond with a 10-year maturity and current District pooled investment earnings rates. Additionally, a cash reserve will be held for this loan equal to the sum of the required principal payments of the final year of this loan, totaling approximately \$120,000. The loan reserve will be available for payment of interest and principal of the loan through the final maturity date.

Section 3. The District's Treasurer is hereby authorized to take such other action as may be necessary to implement this Resolution.

Dated this 5th day of February 2024.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

SEAL

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING AMENDMENT  
NO. 8 TO SERVICES AGREEMENT (SA-TA NO. 18-  
024) WITH POWER ENGINEERS, INC. TO  
PROVIDE GIS SYSTEM CONSULTING SERVICES  
AND ASSISTANCE

## FACTUAL BACKGROUND AND REASONS FOR ACTION

The District entered into a Services Agreement (SA-TA No. 18-024) on April 24, 2018, with Power Engineers, Inc. to provide Geographic Information System (GIS) consulting services and assistance, in an amount not to exceed \$150,000. Amendments 1 & 2 increased the not to exceed amount to \$470,000. Resolution 20-14450 increased the not to exceed amount by \$900,000 to \$1,370,000. Resolution 21-14547 increased the not to exceed amount by \$1,007,675 to \$2,377,675.

District staff is requesting a further amendment to SA-TA 18-024 with Power Engineers, Inc. to increase the not to exceed amount by \$665,131.28 for a new not to exceed amount of \$3,042,806.28. These funds will allow the District to migrate GIS users and processes from ESRI's legacy ArcGIS Desktop platform to ArcGIS Enterprise. Major components of that effort are converting the existing customer utility GIS data from the Geometric Network (GN) model to the Utility Network (UN) model and developing standards for maintaining data quality. The effort to move to the UN and ArcGIS Enterprise supports other critical District objectives, such as deploying Field Workforce Management, enabling mobile GIS solutions, advancing our current Advanced Distribution Management System (ADMS), and standardizing utility design on a GIS-centric solution.

Resolution No. 17-14215 requires that the Commission, by resolution, authorize Amendments to Service Agreements when the Amendment increases the total contract price to over \$500,000.

District staff recommends that it is in the best interest of the District to amend Services Agreement No. 18-024 with Power Engineers, Inc. in the amount of \$665,131.28, for a total revised contract price not to exceed \$3,042,806.28.

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-TA No. 18-024) with Power Engineers, Inc. to provide the additional services identified above and increase the not to exceed contract amount. The revised contract price will not exceed \$3,042,806.28 without prior Commission approval. A copy of the Amendment will be on file in the offices of the District.

DATED this 5th day of February 2024.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE GENERAL  
MANAGER TO ENTER INTO A MASTER  
INTERLOCAL AGREEMENT (SA 23-13264) WITH  
CITY OF WENATCHEE

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

The District and the City of Wenatchee (City) frequently encounter situations where collaborative efforts are essential for various projects, such as road improvements and utility relocations. This master interlocal agreement (23-13264) allows both the District and City to execute Task Authorizations for work under this Agreement, enabling a more agile and coordinated response to shared services.

Resolution No. 17-14215 requires that the Commission, by resolution, authorize Interlocal Agreements that exceed \$200,000. It is staff's recommendation that it is in the best interest of the District to enter into a master interlocal agreement with City of Wenatchee to facilitate future 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 master interlocal agreement with City of Wenatchee. District staff are hereby authorized to execute Task Authorizations under this master interlocal agreement not to exceed \$3,000,000 in total through 2028. This Resolution shall satisfy Resolution 17-14215, Attachment No. 1, subsection 10.b. A copy of the Agreement will be on file in the offices of the District.



Resolution No. \_\_\_\_\_  
Page 2

DATED this 5th day of February 2024.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

SEAL