

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

REGULAR COMMISSION MEETING

February 20, 2018

AGENDA

STUDY SESSION

10:00 A.M.

1. Pledge of Allegiance and Safety Minute – Dan Ferguson
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. Audit Committee Annual Update
5. Update on Rotary Permit for Planet Walk
6. Update on Large Load Inquiries
7. Carbon Update
8. Lessons Learned on Consent Agenda Resolution

BUSINESS SESSION

1:00 P.M.

Consent Agenda

9. Minutes:

February 5, 2018 Regular Meeting

10. Vouchers:

Accounts Payable Summary Report dated February 14, 2018:

- a) Vouchers totaling \$9,801,861.32;

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- b) Approval of Customer Deposit Returns and Conservation Incentive payments for the period January 31, 2018 through February 13, 2018 in the amount of \$22,321.29;
 - c) Approval of the net Payrolls, Warrant Nos. 235787 through 235810 and Advice Nos. 648053 through 648779 for the pay period ending 02/04/2018 in the amount of \$1,853,530.63; and
 - d) Approval of Warrant Nos. 24171 through 24176 totaling \$16,896.17 for claim payments from the workers' compensation self-insurance fund for the period ending February 12, 2018.
11. A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1-4, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 16-02 WITH JS VAIL DBA M. VAIL COMPANY OF WENATCHEE, WASHINGTON AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

Regular Agenda

- 12. Quarterly Financial Review and Investment Report
- 13. Major Projects, Contracts, and Project Revisions Update
- 14. A RESOLUTION DECLARING BIOMARK, INC. OF BOISE, ID AS THE SOLE SOURCE SUPPLIER OF PASSIVE INTEGRATED TRANSPONDER TAGS FOR EVALUATION OF THE DISTRICT'S HATCHERY PROGRAMS OPERATED AS PART OF THE HABITAT CONSERVATION PLANS, AUTHORIZING THE WAIVER OF BIDDING REQUIREMENTS AND AUTHORIZING THE DISTRICT'S GENERAL MANAGER TO ENTER INTO A CONTRACT WITH BIOMARK, INC.
- 15. A RESOLUTION AUTHORIZING AMENDMENT NO. 1 FOR ADDITIONAL FUNDS TO SERVICES AGREEMENT (SA NO. 16-148) WITH VOITH HYDRO, INC. OF YORK, PA TO PROVIDE ENGINEERING STUDIES FOR ROCKY REACH UNITS C1 THROUGH C7
- 16. Manager Items
- 17. Commission Items
- 18. Commission Travel
- 19. Follow-up on Delegation of Action Items from Previous Board Meeting
- 20. Delegation of Action Items
- 21. Additional Public Comment*

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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).

* 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. 1-4, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 16-02 WITH JS VAIL DBA M. VAIL COMPANY OF WENATCHEE, WASHINGTON AND AUTHORIZING RELEASE OF THE BOND IN LIEU 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 October 12, 2016, the District entered into a contract (Bid No. 16-02) with JS Vail DBA M. Vail Company (Contractor) of Wenatchee, Washington for Headquarters Building Reroof, in the amount of \$267,867.00. 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. 1-4 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. 1-4, which are on file in the offices of the District and summarized as follows:

Field Work Order No.	Amount
1. Extends completion date (Winter shut-down 2016/2017)	\$0
2. Extends completion date	\$0
3. Extends completion date	\$0
4. Increased Contract Price (Add additional footage of walkpad and install District purchased roof access hatch)	\$2,550
Total	\$2,550

Field Work Order Nos. 1-4 resulted in a net increase in the contract price of \$2,550 for a new revised total contract price of \$270,417 which the District's engineers recommend be ratified.

District staff has determined that the completion of all contract work occurred on January 2, 2018. In accordance with the terms of the contract, the Contractor has provided a bond in lieu of retainage equal to 5% of the Contract Price.

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.

1-4 and authorize the release of the related bond in lieu of retainage, 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. 1-4 to Bid No. 16-02 with JS Vail DBA M. Vail Company for the work specified above, which resulted in a net increase in the purchase price of \$2,550 for a new revised total contract price of \$270,417, are hereby ratified.

Section 2. All the contract work required under Bid No. 16-02 was completed on January 2, 2018 and the same is hereby accepted, subject to Section 3 hereof. Release of the Contractor's bond in lieu of retainage is authorized 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 release the bond in lieu of retainage. In the event said taxes, claims, expenses and fees have not been paid, the General Manager is authorized and directed to file a claim against the bond in lieu of retainage in 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 following payment of such claim, release the bond in lieu of retainage.

DATED this 20th day of February 2018.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION DECLARING BIOMARK, INC. OF BOISE, ID AS THE SOLE SOURCE SUPPLIER OF PASSIVE INTEGRATED TRANSPONDER TAGS FOR EVALUATION OF THE DISTRICT'S HATCHERY PROGRAMS OPERATED AS PART OF THE HABITAT CONSERVATION PLANS, AUTHORIZING THE WAIVER OF BIDDING REQUIREMENTS AND AUTHORIZING THE DISTRICT'S GENERAL MANAGER TO ENTER INTO A CONTRACT WITH BIOMARK, INC.

FACTUAL BACKGROUND AND REASONS FOR ACTION

As part of the Rocky Reach and Rock Island Habitat Conservation Plans (HCP), the District has an obligation to evaluate the success of its hatchery programs and is committed to implementing a long-term monitoring and evaluation plan that has been approved by the HCP Hatchery Committees (Committees). The monitoring and evaluation plan is designed to provide the District and Committees with information to ensure the hatchery programs are successful and that the program goals are being met in an efficient and biologically prudent manner.

For the District to utilize downstream hydroelectric facilities as tag interrogation sites, its own upstream adult detection sites, and numerous tributary antennae locations, the Passive Integrated Transponder (PIT) tags need to be International Standards Organization (ISO) compatible and operate at a frequency of 134.2 KHZ. District staff and the Committees recommend using PIT tags to offer varied methods and location of detection and the most accurate life history and survival calculations for salmon and steelhead. The Digital Angel model TX 1411 SST has been specifically developed to provide maximum detection at custom antennae locations such as the sites the District and other entities employ. This tag has been developed for high performance fisheries applications where water speed is high and a long read range is necessary. The TX 1411 SST provides superior detection and is the highest performing tag of its kind available.

Biomark, Inc. is the sole distributor of the Digital Angel model TX 1411 SST and has provided the District with a letter certifying that they are the sole distributor of the TX 1411 SST tags and that the District has received the lowest price on the tags they offer to similarly 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 Biomark, Inc. as the sole source supplier for 70,000 Digital Angel TX 1411 SST PIT tags in an

amount not to exceed \$194,600 (plus W.S.S.T). 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 Biomark, Inc. to be the sole source supplier for Digital Angel TX 1411 SST PIT tags.

Section 2. The competitive bidding requirements of RCW 54.04.070 are hereby waived due to the designation of Biomark, Inc. as the sole source supplier for Digital Angel TX 1411 SST PIT tags.

Section 3. The General Manager or his designee is authorized to enter into a purchase contract with Biomark, Inc. for the purchase of Digital Angel TX 1411 SST PIT tags at a cost not to exceed \$194,600 (plus W.S.S.T and shipping costs) without prior Commission approval. A copy of the contract will be on file in the offices of the District.

Dated this 20th day of February 2018.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AMENDMENT
NO. 1 FOR ADDITIONAL FUNDS TO SERVICES
AGREEMENT (SA NO. 16-148) WITH VOITH
HYDRO, INC. OF YORK, PA TO PROVIDE
ENGINEERING STUDIES FOR ROCKY REACH
UNITS C1 THROUGH C7

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District entered into a Services Agreement (SA No. 16-148) on January 23, 2018 with Voith Hydro, Inc. (Voith) to provide engineering studies of Rocky Reach Units C1 through C7, in an amount not to exceed \$300,000.

District staff has identified the need for additional services including, but not limited to, engineering of interim repairs for C1 trunnion seals and bushings, and providing on-call engineering recommendations at the District's request. Resolution No. 17-14165 set a not-to-exceed amount of \$300,000 which cannot be exceeded without Board action.

District staff recommends that it is in the best interest of the District to amend Services Agreement No. 16-148 with Voith to provide additional engineering support in the amount of \$100,000, for a total revised contract price not to exceed \$400,000.

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 No. 16-148) with Voith Hydro, Inc. to provide the additional services identified above. The revised contract price will not exceed \$400,000 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 20th day of February, 2018.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal