

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

**REGULAR COMMISSION MEETING**

**FEBRUARY 20, 2024**

**STUDY SESSION**

**10:00 AM**

1. Pledge of Allegiance and Safety/H&OP Minute – Antony Urbano
2. Approval of the Agenda
3. Audit Committee Annual Update
4. Quarterly Financial Review and Investment Report
5. Quarterly Energy Resources Update
6. Peshastin Water District Capital Funding 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 February 5, 2024 Regular Meeting and February 6, 2024 Board Workshop
9. Vouchers: Accounts Payable Summary Report dated February 13, 2024:
  - a. Vouchers totaling \$9,523,827.11;
  - b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period January 30, 2024 through February 12, 2024 in the amount of \$75,035.24.
  - c. Approval of the net Payroll, Warrant Nos. 238369 through 238379 and Advice Nos. 771518 through 772313 for the pay period ending January 28, 2024 in the amount of \$2,500,869.47.
  - d. Approval of Warrant Nos. 30722 through 30816 totaling \$22,168.89 for claim payments from the workers' compensation self-insurance fund for the period ending February 12, 2024.

- e. Approval of Parks Reservation System customer refunds for the period January 30, 2024 through February 12, 2024 in the amount of \$105.00.

10. A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF PERFORMANCE UNDER CONTRACT NO. 21-12 WITH NORTHBANK CIVIL AND MARINE INC. OF WA AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

**Regular Agenda**

11. A RESOLUTION AUTHORIZING AMENDMENT NO. 2 TO SERVICES AGREEMENT (SA NO. 19-10469) WITH ANIXTER, INC. TO PROVIDE ADVANCED METERING INFRASTRUCTURE
12. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A TASK AUTHORIZATION SERVICES AGREEMENT (SA NO. 24-13461) WITH ABSG CONSULTING, INC. OF SPRING, TX FOR ASSET MANAGEMENT CONSULTING SERVICES
13. A RESOLUTION AUTHORIZING AMENDMENT NO. 3 TO LEASE AGREEMENT (22-12089) WITH PORT OF CHELAN COUNTY (NOW ADMINISTERED BY THE CHELAN DOUGLAS REGIONAL PORT AUTHORITY) FOR THE LEASE OF PORT INDUSTRIAL BUILDING NUMBER 5 (IB5 LOCATED IN WENATCHEE, WASHINGTON)
14. Manager Items
15. Commission Items
16. Follow-up on Delegation of Action Items from Previous Board Meeting
17. Delegation of Action Items
18. Additional Public Comment
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) and to consider information regarding the infrastructure and security of computer and telecommunications networks, security and service recovery plans, security risk assessments and security test results to the extent that they identify specific system vulnerabilities pursuant to RCW 42.30.110(1)(a)(ii) for \_\_\_\_ minutes

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

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

A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF PERFORMANCE UNDER CONTRACT NO. 21-12 WITH NORTHBANK CIVIL AND MARINE INC. OF WA AND AUTHORIZING RELEASE OF THE BOND IN LIEU 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.

On May 4, 2021, the District entered into a contract (Bid No. 21-12) with Northbank Civil and Marine Inc. (Contractor) of Vancouver, WA for Mechanical Services Dock Crew, in the amount of \$2,000,000.00. This contract was advertised for public bid and was awarded as required by RCW 54.04.070 and .080

District staff has determined that the work required under the contract has been performed in accordance with the terms of the contract and recommends that the District accept the work.

District staff has determined that the completion of all contract work occurred on February 2, 2024. 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 and recommends the District 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. All the contract work required under Contract No. 21-12 was completed on February 2, 2024, and the same is hereby accepted, subject to Section 2 hereof. Release of the Contractor's bond in lieu of retainage is authorized subject to Section 2 and Section 3 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 2. 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 3. 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 2024

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President

ATTEST:

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Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

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Commissioner

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

A RESOLUTION AUTHORIZING AMENDMENT  
NO. 2 TO SYSTEM AGREEMENT NO. 19-10469  
WITH ANIXTER, INC. TO PROVIDE ADVANCED  
METERING INFRASTRUCTURE

FACTUAL BACKGROUND AND REASONS FOR ACTION

RFP 18-61 for Advanced Metering Infrastructure, software, and associated implementation, installation, and support services was awarded to Anixter, Inc. by Resolution No. 21-14558 dated April 19, 2021. The resolution authorized the District to enter into System Agreement No. 19-10469 with Anixter, Inc., in accordance with RCW 39.04.270, in an amount not to exceed \$9,801,265. Amendment 1 to the Agreement did not impact the maximum amount.

District staff has identified the need for additional meter quantities and associated installations to account for customer growth since the start of the project and to stock post-project inventory. Additional network equipment is also required to support the backhaul of the AMI data. District staff is requesting to further amend System Agreement No. 19-10469 with Anixter, Inc. to increase the not to exceed amount by \$2,600,000 for these items. These increases are within the established advanced metering capital project budget and post-project inventory purchases will be budgeted in the normal annual budget process.

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

District staff recommends that it is in the best interest of the District to amend System Agreement No. 19-10469 with Anixter, Inc. to increase the not to exceed amount by \$2,600,000, for a total revised contract price not to exceed \$12,401,265.

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 as follows:

Section 1. The General Manager is hereby authorized to execute an Amendment to System Agreement No. 19-10469 with Anixter, Inc. to provide the additional services identified above. The revised contract price will not exceed \$12,401,265 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 20th day of February 2024.

\_\_\_\_\_  
President

ATTEST:

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Vice President

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Secretary

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Commissioner

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Commissioner

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

A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A TASK AUTHORIZATION SERVICES AGREEMENT (SA NO. 24-13461) WITH ABSG CONSULTING, INC. OF SPRING, TX FOR ASSET MANAGEMENT CONSULTING SERVICES

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

ABSG Consulting, Inc. of Spring, Texas is an integrated global enterprise asset management service provider who can flexibly provide a variety of skilled resources as needed to fill gaps, assist with work hurdles, and lend technical expertise. ABSG Consulting, Inc. has been an asset management and Maximo training consulting resource for the District with great satisfaction. District staff has identified the need for their continued support for data analysis, Maximo training, and asset management and reliability consulting services.

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

District staff has determined that ABSG Consulting, Inc. is the best qualified firm to provide the required services and that the costs proposed for the services is a fair and reasonable price. The total costs for the services to be provided by ABSG Consulting, Inc. shall not exceed \$1,313,000.00.

It is District staff's recommendation that it is in the best interest of the District to enter into a Services Agreement with ABSG Consulting, Inc. for the above-described services. Services shall be provided when and as requested by the District, according to written task orders which define the scope, budget and schedule for individual tasks. No work shall be undertaken by ABSG Consulting, Inc. without a written task order.

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 ABSG Consulting, Inc. for Asset Management Consulting Services in an amount not to exceed \$1,313,000.00 without prior Commission approval. A copy of the Agreement is on file in the offices of the District.

DATED this 20th day of February 2024.

\_\_\_\_\_  
President

ATTEST:

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Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

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Commissioner

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

A RESOLUTION AUTHORIZING AMENDMENT NO. 3 TO LEASE AGREEMENT (22-12089) WITH PORT OF CHELAN COUNTY (NOW ADMINISTERED BY THE CHELAN DOUGLAS REGIONAL PORT AUTHORITY) FOR THE LEASE OF PORT INDUSTRIAL BUILDING NUMBER 5 (IB5 LOCATED IN WENATCHEE, WASHINGTON)

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

The District entered a Lease Agreement (22-12089) with the Port of Chelan County (now administered by the Chelan Douglas Regional Port Authority), approved by Resolution No. 18-14272 dated October 1, 2018 for the lease of a portion (26,000 square feet) of Port Industrial Building Number 5 (IB5) located in Wenatchee, Washington.

Amendment No. 1 to the Lease Agreement, executed on August 5, 2020, added 12,000 square feet of space in IB5 to accommodate the Service Center project team and material storage space for the Service Center Project.

Amendment No. 2 to the Lease Agreement, approved by Resolution 22-14693 on September 19, 2022 and executed on September 28, 2022, extended the lease for an additional 17 months, through February 28, 2024.

The Lease Agreement includes a provision for an annual adjustment of the Base Rent based on the relative change in the consumer price index (CPI) over the initial term of the lease.

District staff has identified the need for continued interim use of the leased space for operational and project needs while the Service Center is completed and staff are transitioning. The Port has agreed to an extension of ten (10) months to accommodate the needs of the District and Amendment No.3 includes an extension of term to December 31, 2024. The Port has also agreed to limit the annual CPI adjust for the final two-months of the Agreement to three and one-half percent (3.5%) or less.

Resolution No. 22-14711 requires that the Commission, by resolution, authorize Amendments when the amount of the Amendment exceeds the previously authorized amount.

District staff recommends that it is in the best interest of the District to amend the existing Lease Agreement with the Port for 38,000 square feet of space in IB5, located at 200 Olds Station Road, Wenatchee, WA, at a monthly rate of \$30,383.10 for

the term of March 1, 2024 through December 31, 2024 (subject to the CPI adjustment of up to 3.5% as indicated above), plus utilities and common area maintenance charges.

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, or his designee, is hereby authorized to execute Amendment 3 to 22-12089 with the Chelan Douglas Regional Port Authority for continued property lease of Port Industrial Building No. 5 at a monthly rate of \$30,383.10, plus utilities and common area maintenance charges, subject to a CPI adjustment of up to 3.5%, for a new term ending December 31, 2024. A copy of the Amendment is on file in the offices of the District.

DATED this 20th day of February 2024.

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President

ATTEST:

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Vice President

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Secretary

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Commissioner

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Commissioner

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