

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

REGULAR COMMISSION MEETING

March 5, 2018

AGENDA

STUDY SESSION

10:00 A.M.

1. Pledge of Allegiance and Safety Minute – Ian Adams
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. Rocky Reach Pacific Lamprey Passage
4. Legislative Update
5. CIS Project Update
6. Management of Large Load Requests

BUSINESS SESSION

1:00 P.M.

7. Public Comment - Eagle Creek Road Residents

Consent Agenda

8. Minutes:

February 5, 2018 Regular Meeting

9. Vouchers:

Accounts Payable Summary Report dated February 28, 2018:

- a. Vouchers totaling \$7,712,693.19;

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- b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period February 14, 2018 through February 27, 2018 in the amount of \$18,980.12;
- c. Approval of the net Payrolls, Warrant Nos. 235811 through 235833 and Advice Nos. 648780 through 649512 for the pay period ending 02/18/2018 in the amount of \$1,838,750.23; and
- d. Approval of Warrant Nos. 24177 through 24203 totaling \$6,745.38 for claim payments from the workers' compensation self-insurance fund for the period ending February 26, 2018.

Regular Agenda

- 10. A RESOLUTION RATIFYING AMENDMENT NO. 1 TO SERVICES AGREEMENT (SA NO. 11-157) WITH OKANAGAN NATION AQUATIC ENTERPRISES LTD. AND PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY FOR SOCKEYE HATCHERY COMPENSATION RELATED TO THE ROCKY REACH AND ROCK ISLAND HYDROELECTRIC PROJECTS
- 11. A RESOLUTION REJECTING THE BID OF AMERICAN WIRE GROUP, INC. (SCHEDULES A-C) AND ANIXTER INC. (SCHEDULE A) AND ACCEPTING THE BID OF GENERAL PACIFIC, INC. (SCHEDULE A) AND ANIXTER INC. (SCHEDULES B AND C) (BID 17-90) FOR THE SUPPLY OF DISTRIBUTION CABLE AND CONDUCTOR
- 12. Manager Items
- 13. Commission Items
- 14. Commission Travel
- 15. Follow-up on Delegation of Action Items from Previous Board Meeting
- 16. Delegation of Action Items
- 17. Additional Public Comment*
- 18. Matters of general business as may necessarily come before the Commission
- 19. 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 AMENDMENT NO. 1 TO SERVICES AGREEMENT (SA NO. 11-157) WITH OKANAGAN NATION AQUATIC ENTERPRISES LTD. AND PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY FOR SOCKEYE HATCHERY COMPENSATION RELATED TO THE ROCKY REACH AND ROCK ISLAND HYDROELECTRIC PROJECTS

FACTUAL BACKGROUND AND REASONS FOR ACTION

Public Utility District No. 1 of Chelan County, Washington (“District”) is obligated to provide hatchery compensation for unavoidable project mortality related to the Rocky Reach and Rock Island hydroelectric projects under the Habitat Conservation Plans (“HCPs”) associated with each project.

The Commission approved Resolution No. 11-13682 on October 17, 2011, the effect of which was to authorize the General Manager of the District to enter into a Services Agreement with Okanagan Nation Aquatic Enterprises Ltd. (“ONAE”) and Public Utility District No. 2 of Grant County to fund and implement the ONAE Program through October 31, 2060 subject to termination language within the Agreement (e.g., the District can terminate at will with prior notice).

Specifically, the Agreement provides (1) funding for the continuation of monitoring and evaluation services provided by ONAE and first authorized by the Board on August 15, 2005 (Resolution 05-12749), and (2) funding for the design, construction, operation and maintenance of a new hatchery facility by ONAE as contemplated in, and subject to the terms and conditions of, the Agreement. The hatchery facility was completed September 2014 and the ONAE has been operating the facility as contemplated by the Agreement since completion of construction. Pursuant to the Agreement, the District and Grant PUD co-fund the ONAE Program with Grant PUD and the District cost-sharing the design and construction of the hatchery infrastructure and equipment at 55% and 45%, respectively; and cost sharing the annual operation, maintenance and monitoring and evaluation (“Annual Operations and Maintenance”) of the program at 66% by Grant PUD and 34% by the District.

An internal review of the program identified that Amendment No. 1, executed February 29, 2012, was not presented for consideration and approval to the Board of Commissioners and should have been as the effect of the changes over the life of the Agreement exceeded the threshold for Board action. At the time, District staff incorrectly assessed Amendment No. 1 as a zero cost amendment and as a result no further legal review or Board approval was sought. Amendment No. 1 clarified that the

17.5 percent administrative fee authorized in the original Agreement applied to all non-construction related expenses (not just labor and equipment) and that a 2 percent administrative fee would be applied to construction related costs.

Staff seeks ratification of Amendment No. 1 clarifying the application of the administrative fees as well as ratification of the amounts paid pursuant to the amendment. All expenditures authorized under the Amendment No. 1 have been approved as part of the District’s budget. The 2 percent construction administrative fee ended when construction of the facility was completed in 2014. All future expenditures pursuant to this Amendment No. 1 will be included in the District’s annual budgets and approved by the Commission as part of the annual budget approval and adoption.

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. Amendment No. 1 and all administrative fees paid pursuant thereto are hereby ratified. A copy of the Agreement is on file in the offices of the District.

DATED this 5th day of March 2018.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION REJECTING THE BID OF AMERICAN WIRE GROUP, INC. (SCHEDULES A-C) AND ANIXTER INC. (SCHEDULE A) AND ACCEPTING THE BID OF GENERAL PACIFIC, INC. (SCHEDULE A) AND ANIXTER INC. (SCHEDULES B AND C) (BID 17-90) FOR THE SUPPLY OF DISTRIBUTION CABLE AND CONDUCTOR

FACTUAL BACKGROUND AND REASONS FOR ACTION

On January 26, 2018, an invitation for sealed bids was published in accordance with RCW 54.04.070 and Resolution No. 17-14215 to supply the Distribution Cable and Conductor. Bid proposals were opened on February 14, 2018, at 2:30, p.m. in the offices of the District. Three (3) bids were received (excluding sales tax) as tabulated on Exhibit A attached.

The bid by American Wire Group, Inc. (Schedules A-C) and Anixter Inc. (Schedule A) did not meet the minimum requirements specified in the contract documents. American Wire Group, Inc. submitted bids for Schedules A, B, and C from manufacturers that are not currently approved by the District. Similarly, Anixter Inc. submitted a bid for Schedule A from a manufacturer that is not currently approved by the District. Neither company submitted product samples or enough technical data to enable the District to consider if the proposed manufacturers can provide a product as good or better. Therefore, these bids should be rejected as non-responsive.

District staff has determined that (1) the bid of General Pacific, Inc. of Fairview, Oregon (Schedule A) in the amount of \$167,805.00 (excluding sales tax), and (2) the bid of Anixter Inc. of Portland, Oregon (Schedules B and C) in the amount of \$72,079.92 (excluding sales tax), are the lowest responsive and best bids in compliance with the plans and specifications for Bid No. 17-90. These bids meet all statutory requirements. Resolution No. 17-14215 requires that the rejection of the apparent low dollar bidder must come before the Commission for action.

District staff recommends awarding Bid No. 17-90 to General Pacific, Inc. for Schedule A and Anixter Inc. for Schedules B and C.

The General Manager of the District concurs with District staff's recommendation.

ACTION

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

Section 1. The bids submitted by (1) American Wire Group, Inc. of Miami, Florida (Schedules A-C), and (2) Anixter Inc. of Portland, Oregon (Schedule A) did not meet the minimum requirements specified in the contract documents and are hereby rejected.

Section 2. The bids submitted by (1) General Pacific, Inc. of Fairview, Oregon (Schedule A), and (2) Anixter Inc. of Portland, Oregon (Schedules B and C) are the lowest responsible and best bids in compliance with the plans and specifications to provide the Distribution Cable and Conductor. The General Manager of the District is hereby authorized to enter into a contract with (1) General Pacific, Inc. of Fairview, Oregon for Schedule A in the amount of \$167,805.00, excluding sales tax, and (2) Anixter Inc. of Portland, Oregon for Schedules B and C in the amount of \$72,079.92, excluding sales tax. A copy of the contracts will be on file in the offices of the District

Dated this 5th day of March 2018.

ATTEST:

President

Vice President

Secretary

Commissioner

Commissioner

Seal

EXHIBIT A

Bid Tabulation

Bid No. 17-90 Supply of Distribution Cable and Conductor

Bidder Name City, State	Bid Bond/ Cashier's Check	Schedule A Bid Amount Estimate = \$168,588.00	Schedule B Bid Amount Estimate = \$71,070.20	Schedule C Bid Amount Estimate = \$22,379.20
American Wire Group, Inc. Miami, FL	Yes	\$147,420.00	\$49,218.00	\$16,869.30
Anixter Portland, OR	Yes	\$156,330.00	\$54,972.60	\$17,218.32
General Pacific, Inc. Fairview, OR	Yes	\$167,805.00	n/a	n/a