

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

REGULAR COMMISSION MEETING

APRIL 5, 2021

Public participation will be by phone only

Dial: 253-999-5697

Meeting ID: 508-668-208#

****Please remember to mute your phone to reduce background noise****

Please contact PUD staff at 509-661-4212 to let us know if you intend to participate by phone

STUDY SESSION

10:00 AM

1. Pledge of Allegiance and Safety/HPI Minute – Pete Johnson
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. CPO Winners
4. 501(c)(3) Waiver of Connection Fees in Support of Affordable Housing
5. Resource Adequacy Update
6. Advanced Meter Infrastructure Update

BUSINESS SESSION

1:00 PM

Consent Agenda

7. Minutes of the March 15, 2021 Regular Meeting and March 30, 2021 Special Meeting
8. Vouchers: Accounts Payable Summary Report dated March 31, 2021:
 - a. Vouchers totaling \$21,464,229.59;

- b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period March 10, 2021 through March 30, 2021 in the amount of \$43,783.28;
 - c. Approval of the net Payroll, Warrant Nos. 237426 through 237439 and Advice Nos. 711071 through 711854 for the pay period ending March 14, 2021 in the amount of \$2,091,474.08;
 - d. Approval of Warrant Nos. 27350 through 27419 totaling \$42,736.77 for claim payments from the workers' compensation self-insurance fund for the period ending March 29, 2021;
 - e. Approval of debt service paid with reserve account interest earnings of \$1,694.22 for the period 04/01/2021 through 04/30/2021.
9. A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF PERFORMANCE UNDER BID NO. 19-84 WITH HANCOCK SANDBLAST & PAINT LLC OF PASCO, WASHINGTON FOR THE ROCKY REACH OIL TANK BLAST AND RECOAT AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

Regular Agenda

10. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NO. B-13 TO CONTRACT 18-33 WITH LYDIG CONSTRUCTION, INC. OF SPOKANE VALLEY, WA TO THE GENERAL CONTRACTOR CONSTRUCTION MANAGER (GCCM) SERVICES FOR THE ROCK ISLAND HYDROELECTRIC SUPPORT FACILITY IMPROVEMENTS PROJECT
11. A RESOLUTION DECLARING SCHNEIDER ELECTRIC SMART GRID SOLUTIONS, LLC OF WILMINGTON, DELAWARE AS THE SOLE SOURCE SUPPLIER OF THE ARCFM SOFTWARE SUITE FOR CUSTOMER UTILITIES MAPPING
12. A RESOLUTION AUTHORIZING AMENDMENT NO. 5 TO SERVICES AGREEMENT (SA-TA NO. 18-024) WITH POWER ENGINEERS, INC. TO PROVIDE GIS ARCFM CONSULTING AND IMPLEMENTATION
13. A RESOLUTION DECLARING ALSTOM RENEWAL US, LLC OF LITTLETON, COLORADO AS THE SOLE SOURCE SUPPLIER OF TURBINE GUIDE BEARING SLEEVE FOR LAKE CHELAN UNITS A1 AND A2
14. A RESOLUTION DECLARING ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC. OF SAN BERNARDINO, CA AS THE SOLE SOURCE SUPPLIER OF ARCGIS SOFTWARE SUITE

15. A RESOLUTION AUTHORIZING THE ISSUANCE OF A GUARANTEED MAXIMUM PRICE (GMP) AMENDMENT NO. 1 TO NORTHBANK CIVIL AND MARINE, INC. OF VANCOUVER, WA TO PROVIDE THE PROCUREMENT AND MANUFACTURING OF LONG LEAD-TIME COMPONENTS FOR THE ROCK ISLAND POWERHOUSE #2 DRAFT TUBE GATE CYLINDER AND HYDRAULIC POWER UNIT UPGRADE PROJECT AND APPROVING A CAPITAL BUDGET REVISION FOR THE PROJECT
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
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.
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)

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF PERFORMANCE UNDER BID NO. 19-84 WITH HANCOCK SANDBLAST & PAINT LLC OF PASCO, WASHINGTON FOR THE ROCKY REACH OIL TANK BLAST AND RECOAT 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 August 7, 2020, the District entered into a contract (Bid No. 19-84) with Hancock Sandblast & Paint LLC (Contractor) of Pasco, WA for Rocky Reach Dam Oil Tank Blast and Recoat, in the amount of \$179,154.00. 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 March 8, 2021. 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.

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 Bid No. 19-84 was completed on March 8, 2021 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 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 5th day of April 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NO. B-13 TO CONTRACT 18-33 WITH LYDIG CONSTRUCTION, INC. OF SPOKANE VALLEY, WA TO THE GENERAL CONTRACTOR CONSTRUCTION MANAGER (GCCM) SERVICES FOR THE ROCK ISLAND HYDROELECTRIC SUPPORT FACILITY IMPROVEMENTS PROJECT

FACTUAL BACKGROUND AND REASONS FOR ACTION

On April 2, 2018, by Resolution No. 18-14232, the Commission of the District authorized the General Manager to invite sealed proposals to provide General Contractor Construction Manager (GCCM) services to the District in support of planned improvements to Rock Island Dam and Rocky Reach Dam operation and maintenance facilities. Work at both sites included installation of site utilities and demolition, construction and/or refurbishment of buildings for fabrication, machine work, sandblast, paint, warehouse, office, crew facilities, storage, fueling, hazardous material handling and various other activities. Although this is one Project, the work at Rock Island and Rocky Reach will be treated as two different phases.

On August 20, 2018, by Resolution No. 18-14257, the Commission of the District authorized the General Manager to enter into a contract (RFP No. 18-33) with Lydig Construction for the Rock Island Improvement phase. This contract, known as the A133, governs the general terms between the District and Lydig and the not to exceed dollar amount of \$220,000.00 for pre-construction services.

Previously Approved Field Work Orders

On June 17, 2019, by Resolution No. 19-14354, the Commission of the District authorized the General Manager to enter into a Guaranteed Maximum Price (GMP) Amendment with Lydig Construction for a not to exceed amount of \$19,830,830.00, for the Rock Island Improvements, which resulted in a revised total contract price of \$20,050,830.00.

On October 7, 2019 by Resolution No. 19-14388, The Commission of the District authorized the General Manager to execute FWO/CO B-01 with Lydig Construction for a not to exceed amount of \$275,000.00 for adding the C-19 Building sitework. After negotiations with the Contractor, the total amount of FWO/CO B-01 was \$257,929.00, which resulted in a revised total contract price of \$20,308,759.00.

On November 18, 2019, the Commission approved Resolution No. 19-14397 which authorized the execution of FWO/CO No. B-02 which modified the Contract with the following changes: (1) additional work at the water reservoir; (2) revision to

the C-22 Building canopies; (3) additional foundation work on the C-22 Building; (4) schedule delays caused by C-22 Building Foundation revisions, and (5) ordering the elevator for the C-19 Building because of a long lead time for delivery. The cost of these modifications was \$175,237.00 which resulted in a new revised not to exceed total contract price of \$20,483,996.00.

In addition, under the same Resolution No. 19-14397, the Commission authorized the execution of FWO/CO No. B-03 to build C-19 Building and revised site utilities. The cost of these modifications was estimated to be \$6,294,692.00. After final negotiations with the Contractor, the total amount of FWO/CO B-03 was \$6,268,823.00, which resulted in a new revised not to exceed total contract price of \$26,732,819.00.

On February 16, 2021, the Commission approved Resolution No. 21-14535 which ratified and approved FWO/COs No. A-01, A-02, A-03, B-04, B-05, B-06, B-07, B-08, B-09, B-10, B-11 and B-12 and increased the not to exceed amount by \$493,114.00 for a new revised total not to exceed contract price of \$27,225,933.00.

Executed Field Work Order To Be Ratified

FWO/CO No. B-13 included work to pave the access road to the project, employee parking area and C-22 shop west side building access, as well as other minor changes. The contract price was increased by \$459,578.00 which resulted in a new not to exceed contract price of \$27,685,511.00. It was executed on March 19, 2021 and it is on file in the office of the District.

The General Manager of the District concurs with staff's recommendations that FWO/CO No. B-13 be ratified.

ACTION

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

Section 1. The Commission finds that Field Work Order/Change Order No. B-13 be ratified and was properly executed pursuant to the authority delegated by Resolution No. 17-14215 and said Field Work Order/Change Order is hereby formally acknowledged and ratified.

DATED this 5th day of April 2021.

ATTEST:

President

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION DECLARING SCHNEIDER ELECTRIC SMART GRID SOLUTIONS, LLC OF WILMINGTON, DELAWARE AS THE SOLE SOURCE SUPPLIER OF THE ARCFM SOFTWARE SUITE FOR CUSTOMER UTILITIES MAPPING.

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District's ESRI-based Geographic Information System (GIS) provides a utility automated mapping/facilities management application through third party software company Schneider Electric Smart Grid Solutions, LLC. (Schneider Electric). Schneider Electric's ArcFM Solution is an extension to ESRI's ArcGIS software that includes the necessary database design and additional software functionality to maintain a complex utility network and facilities. It includes tools for building electrical maps and has a complex database for modeling the system.

The ArcFM software suite has been utilized for the electric distribution, water/wastewater, and fiber network mapping applications since 2003. The ArcFM suite was originally procured in 2003 for \$39,655 utilizing competitive quotes. ArcFM Responder OMS software was procured in 2008 under SA 08-176, for \$141,946, under a sole source memo. Yearly maintenance and support have been paid under SA 09-068.

In 2018 the District moved from a perpetual license agreement with Schneider Electric for the ArcFM Solution software suite to the new Schneider Electric software subscription term license agreement entitled *Small Utility Enterprise License Agreement* (SUELA). This term agreement offered significant cost savings over perpetual licensing. The District wishes to renew the Schneider Electric SUELA at a cost of \$90,000 for a three year term.

Schneider Electric has provided the District with a letter certifying the following: 1) it is the sole source provider of the ArcFM Solution software; 2) it is also the sole distributor of the ArcFM Solution software and; 3) the District is receiving the lowest price it offers to similarly situated small utility 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 set forth in RCW 54.04.082 (\$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 Schneider Electric as the sole source supplier for the ArcFM Solution

software suite and enter into the new SUELA, for a three-year term at a cost not to exceed \$90,000. 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 Schneider Electric to be the sole source supplier for the ArcFM Solution software suite.

Section 2. The competitive bidding requirements of RCW 54.04.070 are hereby waived due to the designation of Schneider Electric as the sole source supplier for the ArcFM Solution software suite.

Dated this 5th day of April 2021

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AMENDMENT
NO. 5 TO SERVICES AGREEMENT (SA-TA NO. 18-
024) WITH POWER ENGINEERS, INC. TO
PROVIDE GIS ARCFM CONSULTING AND
IMPLEMENTATION

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 GIS ArcFM Consulting and Implementation, in an amount not to exceed \$150,000. Amendments 1-4, including Resolution 20-14450, have increased the not to exceed amount to \$1,370,000.

District staff is requesting a modification to the professional services agreement with Power Engineers, Inc. for an increase in the amount of \$1,007,675. Power Engineers, Inc. will provide assistance in transitioning the District's fiber splicing database into the ArcFM Fiber Manager Geographical Information System (GIS) system and assist in improving District GIS workflows.

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 \$1,007,675, for a total revised contract price not to exceed \$2,377,675

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. The revised contract price will not exceed \$2,377,675 without prior Commission approval. A copy of the Amendment will be on file in the offices of the District.

DATED this 5th day of April 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION DECLARING ALSTOM RENEWAL
US, LLC OF LITTLETON, COLORADO AS THE SOLE
SOURCE SUPPLIER OF TURBINE GUIDE BEARING
SLEEVE FOR LAKE CHELAN UNITS A1 AND A2

FACTUAL BACKGROUND AND REASONS FOR ACTION

Under original Contract 06-01 Lake Chelan Hydro Modernization with Alstom Renewal US, LLC (“Alstom”) the scope included the completion of the turbine model testing, design, manufacture, inspection, refurbishment, modification, delivery, installation and testing required for the rehabilitation of the Lake Chelan Units A1 and A2 turbines and generators including associated governor systems, and related ancillary equipment as specified in the Contract. This included the turbine guide gearing (TGB) Sleeve design, manufacture, and installation.

Per the terms and conditions of Contract 06-01 the design and specifications for the TGB Sleeve are per Alstom's "proprietary" design. The TGB Sleeve is currently manufactured and solely available from Alstom.

The District's Engineering and Project Management team has determined that a spare TGB Sleeve is necessary to ensure efficient operation and maintenance activity on Lake Chelan Hydro Units A1 & A2.

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 Alstom as the sole source supplier for the TGB Sleeve in an amount not to exceed \$61,163.40 (excluding taxes). 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 Alstom to be the sole source supplier for the TGB Sleeve.

Section 2. The competitive bidding requirements of RCW 54.04.070 are hereby waived due to the designation of Alstom as the sole source supplier for the TGB Sleeve.

Section 3. The General Manager or his designee is authorized to enter into a purchase contract with Alstom for the purchase of the TGB Sleeve at a cost not to exceed \$61,163.40 (excluding taxes) without prior Commission approval. A copy of the contract will be on file in the offices of the District.

Dated this 5th day of April 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION DECLARING ENVIRONMENTAL
SYSTEMS RESEARCH INSTITUTE, INC. OF SAN
BERNARDINO, CA AS THE SOLE SOURCE SUPPLIER
OF ARCGIS SOFTWARE SUITE

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District utilizes Environmental Systems Research Institute, Inc. (ESRI) ArcGIS software suite as the foundation for utility/facilities mapping, modeling, and management. Since 2009, the District has procured the ArcGIS software suite through ESRI's Small Utility Enterprise Agreement (SUEA) program, which provides a bundled package of nearly all ESRI products the District needs for its complex GIS utility model. The ESRI SUEA term is three years, and the District's current ESRI SUEA expires on April 21, 2021. The District wishes to renew the SUEA for an additional three-year term. The District also wishes to continue procuring ArcGIS Data Interoperability for ArcGIS Pro term licenses to ensure integration of GIS data with other critical systems. The ESRI SUEA three-year cost is \$89,539.50. Annual cost is \$29,864.50.

ESRI is the owner, manufacturer, and sole domestic provider of SUEAs, and is the only domestic source of updates and technical support for all ESRI software. SUEAs are offered at fixed-cost, non-negotiable pricing based on a tiered system. For this renewed SUEA, the District will remain in the SUEA Program Level Two.

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 ESRI as the sole source supplier for ArcGIS software suite in an amount not to exceed \$89,539.50. 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 ESRI to be the sole source supplier for ArcGIS software suite.

Section 2. The competitive bidding requirements of RCW 54.04.070 are hereby waived due to the designation of ESRI as the sole source supplier for ArcGIS software suite.

Section 3. The General Manager or his designee is authorized to enter into a purchase contract with ESRI for the purchase of ArcGIS software suite at a cost not to exceed \$89,539.50 without prior Commission approval. A copy of the contract will be on file in the offices of the District.

Dated this 5th day of April 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ISSUANCE OF A GUARANTEED MAXIMUM PRICE (GMP) AMENDMENT NO. 1 TO NORTHBANK CIVIL AND MARINE, INC. OF VANCOUVER, WA TO PROVIDE THE PROCUREMENT AND MANUFACTURING OF LONG LEAD-TIME COMPONENTS FOR THE ROCK ISLAND POWERHOUSE #2 DRAFT TUBE GATE CYLINDER AND HYDRAULIC POWER UNIT UPGRADE PROJECT AND APPROVING A CAPITAL BUDGET REVISION FOR THE PROJECT

FACTUAL BACKGROUND AND REASONS FOR ACTION

On May 11, 2020, by Resolution No. 20-14451, the Commission of the District authorized the General Manager to invite sealed proposals to provide Design-Build services to the District in support of planned upgrade the draft tube gate system on all eight (8) units in Rock Island Dam Powerhouse #2. The upgrade includes refurbishment/replacement of the two (2) hydraulic cylinders and hydraulic power unit for each generating unit, replacement of piping due to poor condition, and procurement of some new components to mitigate schedule impacts and risk of unrepairable items. This work will be scheduled with existing unit outages and may begin in 2021 and is planned to complete in 2024.

On February 16, 2021, by Resolution No. 21-14532, the Commission of the District authorized the General Manager to enter into a Design-Build contract (Contract No. 20-14) with Northbank Civil and Marine Inc. In addition to the general terms and conditions, the Contract authorized \$632,927.00 for preconstruction services.

The District and Northbank Civil and Marine Inc. have determined it is in the best interest of the Project to procure and manufacture two sets of Hydraulic Cylinders and two Hydraulic Power Units to expedite the installation schedule by installing one Draft Tube Gate system this fall and another in early 2022.

District's staff recommends execution of the GMP Amendment No. 1 with Northbank Civil and Marine Inc. for a not to exceed amount of \$1,234,365.62, to procure and manufacture two sets of Hydraulic Cylinders and two Hydraulic Power Units for Rock Island Powerhouse #2 Draft Tube Gate Cylinder and Hydraulic Power Unit Upgrade Project. The revised overall contract amount after execution of the GMP Amendment No. 1 would be a not-to-exceed amount of \$1,867,292.62, excluding sales tax. The General Manager of the District concurs with District staff's recommendation.

The Charter for this project was approved in July of 2019, and the Business Case was approved in March of 2020. This project was budgeted as Operations and

Maintenance due to the possibility of refurbishing existing equipment. However, it has become apparent through the design-build procurement method that this work would include replacement of most of the equipment and should be paid for through the capital budget. District Staff recommends approving the capital budget of \$7,200,000.00 for this project over the next four years, \$2,200,000.00 of which will be funded in 2021 covering the preconstruction work and two units. Additional contract amendments will be issued for work in future years.

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 the GMP Amendment No. 1 with Northbank Civil and Marine Inc. to procure and manufacture two sets of Hydraulic Cylinders and two Hydraulic Power Units for Rock Island Powerhouse #2 Draft Tube Gate Cylinder and Hydraulic Power Unit Upgrade Project. The GMP Amendment No. 1 shall not exceed \$1,234,365.62 without prior Board approval, for a total revised contract amount of \$1,867,292.62. A copy of the contract will be on file in the offices of the District.

Section 2. The capital budget of \$7,200,000.00 is hereby approved for the Rock Island Powerhouse #2 Draft Tube Gate Cylinder and Hydraulic Power Unit Upgrade Project over the next four years, \$2,200,000.00 of which will be funded in 2021 covering the preconstruction work and two units.

DATED this 5th day of April 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal