

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

REGULAR COMMISSION MEETING

APRIL 19, 2021

Public participation will be by phone only

Dial: 253-999-5697

Meeting ID: 823-366-779#

****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 – Lorn Conner
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. Quarterly Board Balanced Scorecard Status Update
5. Fire Safety Outage Management – Public Outreach
6. Follow Up on Long Term Marketing Strategy
7. Rock Island Powerhouse 2 Update

BUSINESS SESSION

1:00 PM

Consent Agenda

8. Minutes of the April 5, 2021 Regular Meeting
9. Vouchers: Accounts Payable Summary Report dated April 14, 2021:

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- a. Vouchers totaling \$7,667,751.41;
 - b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period March 31, 2021 through April 13, 2021 in the amount of \$17,908.12;
 - c. Approval of the net Payroll, Warrant Nos. 237440 through 237453 and Advice Nos. 711855 through 712644 for the pay period ending March 28, 2021 in the amount of \$2,077,843.03;
 - d. Approval of Warrant Nos. 27420 through 27439 totaling \$17,804.89 for claim payments from the workers' compensation self-insurance fund for the period ending April 5, 2021;
 - e. Approval of Parks Reservation System customer refunds for the period March 24, 2021 through April 12, 2021 in the amount of \$3,022.67.
10. A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF PERFORMANCE UNDER BID NO. 20-04 WITH REDSIDE CONSTRUCTION, LLC OF BAINBRIDGE ISLAND, WA AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

Regular Agenda

11. A RESOLUTION AUTHORIZING ADDITIONAL FUNDS FOR SERVICES AGREEMENT (SA NO. 17-134) WITH OPEN ACCESS TECHNOLOGY INTERNATIONAL, INC. (OATI) OF MINNEAPOLIS, MINNESOTA FOR ENERGY ACCOUNTING SOFTWARE
12. A RESOLUTION AUTHORIZING AMENDMENT NO. 5 TO TASK AUTHORIZATION SERVICES AGREEMENT (SA-TA NO. 16-056) WITH HDR ENGINEERING, INC. OF NEBRASKA TO PROVIDE PROFESSIONAL ENGINEERING SERVICES RELATED TO TRANSMISSION AND DISTRIBUTION ENGINEERING SUPPORT
13. A RESOLUTION DECLARING CLIMAX PORTABLE MACHINE TOOLS, INC. OF NEWBURG, OREGON AS THE SOLE SOURCE SUPPLIER OF MODEL BB7100 BORING BAR FOR USAGE AT THE DISTRICT'S HYDRO PROJECTS
14. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 29, 3-09, 4-11, 4-12, 4-13, 4-14, 5-02, 5-06, 5-07 AND 5-08 FOR B10, B6, B7 AND B5, FOR CONTRACT NO. 04 01 PART B FOR THE ROCK ISLAND B5-BIO REHABILITATION PROJECT WITH ANDRITZ HYDRO CORP.
15. A RESOLUTION ACCEPTING THE PROPOSAL OF OLSSON INDUSTRIAL ELECTRIC, INC. OF SPRINGFIELD, OREGON TO PROVIDE DESIGN-BUILD SERVICES FOR THE ROCK ISLAND POWERHOUSE #2 - GENERATOR LEAD REPLACEMENT PROJECT (RFP NO. 20-18) AND TO AUTHORIZE THE GENERAL MANAGER TO ENTER INTO A CONTRACT FOR SAID SERVICES

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16. A RESOLUTION AUTHORIZING AMENDMENT NO. 2 TO SYSTEM AGREEMENT (SA NO. 17-194) WITH CORRIDOR COMPANY, INC. TO PROVIDE CONTINUED LICENSES FOR THE CONTRACTS365 SOFTWARE AS A SERVICE
17. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A SYSTEM AGREEMENT WITH ANIXTER INC. TO IMPLEMENT AN ADVANCED METERING INFRASTRUCTURE SYSTEM WITH ASSOCIATED IMPLEMENTATION, INSTALLATION, AND SUPPORT SERVICES
18. Manager Items
19. Commission Items
20. Follow-up on Delegation of Action Items from Previous Board Meeting
21. Delegation of Action Items
22. 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.
23. Matters of general business as may necessarily come before the Commission
24. 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)

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. 20-04 WITH REDSIDE CONSTRUCTION, LLC OF BAINBRIDGE ISLAND, 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 July 24, 2020 the District entered into a contract (Bid No. 20-04) with Redside Construction, LLC (Contractor) of Bainbridge Island, WA for Parks Moorage Docks Replacement, in the amount of \$665,000. 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.

The work in Field Work Order No. 1 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 No. 1, which is on file in the offices of the District and summarized as follows:

Field Work Order No.	Amount
1. Addition of gangway to scope and increase to Contract Price.	\$990
Total	\$990

Field Work Order No. 1 results in a net increase in the contract price of \$990 for a new revised total price of \$665,990 (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 April 7, 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 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 Bid No. 20-04 was completed on April 7, 2021, 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 19th day of April 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING ADDITIONAL FUNDS FOR SERVICES AGREEMENT (SA NO. 17-134) WITH OPEN ACCESS TECHNOLOGY INTERNATIONAL, INC. (OATI) OF MINNEAPOLIS, MINNESOTA FOR ENERGY ACCOUNTING SOFTWARE

FACTUAL BACKGROUND AND REASONS FOR ACTION

Resolution No. 17-14174 dated September 5, 2017 authorized Services Agreement (SA No. 17-134) with Open Access Technology International, Inc. (OATI) to provide energy account software and services, in an amount not to exceed \$635,000.

District staff has identified the need for additional software and professional services in order to provide for previously unplanned District energy accounting functionality. 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 Services Agreement No. 17-134 with OATI in the amount of \$600,000, for a total revised contract price not to exceed \$1,235,000.

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, or their designee, is hereby authorized to execute an Amendment to Services Agreement (SA No. 17-134) with OATI to provide the additional services identified above. The revised contract price will not exceed \$1,235,000 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 19th day of April 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AMENDMENT
NO. 5 TO TASK AUTHORIZATION SERVICES
AGREEMENT (SA-TA NO. 16-056) WITH HDR
ENGINEERING, INC. OF NEBRASKA TO PROVIDE
PROFESSIONAL ENGINEERING SERVICES
RELATED TO TRANSMISSION AND
DISTRIBUTION ENGINEERING SUPPORT

FACTUAL BACKGROUND AND REASONS FOR ACTION

Resolution No. 16-14056 dated July 5, 2016 authorized a Task Authorization Services Agreement (SA-TA No. 16-056) with HDR Engineering, Inc. to provide transmission and distribution engineering support for the general transmission and distribution systems, in an amount not to exceed \$430,000. The not-to-exceed amount was increased by Resolutions No. 18-14248 and 19-14345 to \$1,630,000.

District staff has identified the need for additional engineering support services for future projects such as fire hardening, transmission upgrades and rebuilds, new substation connections, engineering support services, etc. 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 extend the SA-TA No. 16-056 with HDR Engineering, Inc. to December 31, 2024, and increase the not-to-exceed amount by \$2,000,000, for a total revised contract price not to exceed \$3,630,000.

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 Task Authorization Services Agreement (SA-TA No. 16-056) with HDR Engineering, Inc. to provide the additional services identified above. The revised contract price will not exceed \$3,630,000 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 19th day of April 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION DECLARING CLIMAX PORTABLE MACHINE TOOLS, INC. OF NEWBURG, OREGON AS THE SOLE SOURCE SUPPLIER OF MODEL BB7100 BORING BAR FOR USAGE AT THE DISTRICT'S HYDRO PROJECTS

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District currently owns three different Climax Portable Machine Tools machines that have tooling and parts that will interchange with the BB7100 that will not interchange with any other manufacturer's machines on the market. The equipment will be used for maintenance work at the District's hydro projects.

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 Climax Portable Machine Tools, Inc. as the sole source supplier for Model BB7100 Boring Bar in an amount not to exceed \$200,000.00. 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 Climax Portable Machine Tools, Inc. to be the sole source supplier for Model BB7100 Boring Bar.

Section 2. The competitive bidding requirements of RCW 54.04.070 are hereby waived due to the designation of Climax Portable Machine Tools, Inc. as the sole source supplier for Model BB7100 Boring Bar.

Section 3. The General Manager or his designee is authorized to enter into a purchase contract with Climax Portable Machine Tools, Inc. for the purchase of Model 7100 Boring Bar at a cost not to exceed \$200,000.00 without prior Commission approval. A copy of the contract will be on file in the offices of the District.

Dated this 19th day of April 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 29, 3-09, 4-11, 4-12, 4-13, 4-14, 5-02, 5-06, 5-07 AND 5-08 FOR B10, B6, B7 AND B5, FOR CONTRACT NO. 04-01 PART B FOR THE ROCK ISLAND B5-B10 REHABILITATION PROJECT WITH ANDRITZ HYDRO CORP.

FACTUAL BACKGROUND AND REASONS FOR ACTION

The Commission approved Resolution No. 05-12754 on August 15, 2005 which authorized the award of Bid No. 04-01 Rock Island Powerhouse 1 Units B5 through B10 Rehabilitation, Part B, to VA Tech Hydro USA, now Andritz Hydro Corp. (Andritz) of Charlotte, North Carolina. The contract originally provided that the six units be modernized between 2004 and 2012. Modernization was to include replacement of the generators, turbines, governor controls and exciters. The contract allows the District to order the work on each individual unit by issuing an Order to Proceed for each unit. The original contract sets out a fixed price per unit that can be adjusted based on commodity prices in effect and published one month before the issuance of an Order to Proceed.

Previously Approved Field Work Orders

Resolution No. 05-12754 also authorized and directed the General Manager or his designee to issue the Order to Proceed and execute Field Work Order/Change Order (FWO/CO) No. 1 for the first unit under the contract for unit rehabilitation, Unit B10.

On July 30, 2007, the Commission approved Resolution No. 07-13145 which authorized the General Manager to enter into: 1) FWO/CO No. 2 to allow Contractor to manufacture stator pole in Austria; 2) FWO/CO No. 3 provided for a 3 month delay in the start of Unit B10 outage; 3) FWO/CO No. 4 provided for a new generator housing and generator air gap; 4) FWO/CO No. 5 provided for a 2 ½ month delay in unit outage start date; 5) FWO/CO No. 6 modified the scope of work to the first unit; 6) FWO/CO No. 7 directed Contractor to repair several of the pieces of equipment that were being reused; 7) FWO/CO No. 8 was executed to procure a new bottom ring; and 8) FWO/CO No. 9 directed Contractor to perform weld repairs to the generator lower bracket.

On January 14, 2008, the Commission approved Resolution No. 08-13242 which authorized the General Manager to enter into: 1) FWO/CO No. 11 for additional cost of machining of wicket gate servo foundation bases, painting of

concrete around stator and stay ring weld repairs; 2) FWO/CO No. 12 directed Contractor to perform repairs to unit B10 generator brake cylinders; 3) FWO/CO No. 13 directed Contractor to perform repairs to the discharge ring, bottom ring and revised milestone schedule.

On June 16, 2008, the Commission approved Resolution No. 08-13340 which authorized the General Manager to enter into: 1) FWO/CO No. 14 to perform model testing for incremental gain in turbine efficiency; 2) FWO/CO No. 15 revised milestone date for start of trial operation.

The Commission approved Resolution No. 09-13474 on June 15, 2009 which authorized and directed the General Manager or his designee to issue the Order to Proceed and execute FWO/CO No. 2-01 for the second unit under the contract for unit rehabilitation, Unit B9.

In 2010, in response to economic conditions the District decided to defer the rehabilitation of the next four units, B5 through B8, until the units began to experience failure or were declared unavailable due to operational concerns.

In 2014, an in-depth economic analysis was performed which resulted in staff recommending the District proceed with rehabilitation of Units B5 through B8 using the existing 04-01 Part B contract with Andritz. Staff proposed revising the scope to include rehabilitation of existing runners instead of new runners on three units and the use of a new runner previously purchased on the final unit.

On July 21, 2014, the Commission approved Resolution No. 14-13889 which authorized the General Manager or his designee to: 1) FWO/CO No. 17 which provided for an incentive payment to Contractor for exceeding generator efficiency; 2) FWO/CO No. 18 provide for turbine performance index and power gate tests and report; 3) FWO/CO No. 19 provided for a scope change for achieving unit acceptance of unit B10; 4) FWO/CO No. 20 provided change to milestone date for delivery of first and second sets of runner assembly components; 5) FWO/CO No. 22 provided for a reduction in contract price due to District purchasing warranty repair materials; and 6) FWO/CO No. 23 modified payment terms and when final payment will be made on unit B10.

On December 1, 2014, the Commission approved Resolution No. 14-13922 which authorized and directed the General Manager or his designee to issue the Order to Proceed and execute FWO/CO No. 3-01 for the third unit under the contract for rehabilitation, Unit B6.

On December 7, 2015, the Commission approved Resolution Nos. 15-14000 and 15-14001 which authorized and directed the General Manager or his designee to: 1) issue FWO/CO No. 3-02 to modify the scope of work to the third unit to install a new turbine, including previously purchased runner and wicket gates, and extend the unit outage to allow for the additional work which includes installation of a new

discharge liner, bottom ring, wicket gate servos, oil head draft tube modifications and a new high pressure governor system; 2) issue the Order to Proceed and execute FWO/CO No. 4-01 for the fourth Unit for rehabilitation and for procurement of new turbine components for the fifth and sixth units under the contract; and 3) revise the project budgets and 2016 budgets for rehabilitation of Units B5 through B8 under the contract.

On May 16, 2016, the Commission approved Resolution No. 16-14042 which authorized the General Manager to enter into FWO/CO No. 3-03 for a new rotor spider for the third unit and FWO/CO No. 4-02 for new rotor spiders for the fourth, fifth and sixth units. FWO/CO No. 4-02 was executed on June 29, 2016, but FWO/CO No. 3-03 was not executed.

On November 21, 2016, the Commission approved Resolution No. 16-14093 which authorized the General Manager to enter into FWO/CO No. 5-01 for release of fifth unit additional turbine and generator components, and FWO/CO No. 6-01 for release of sixth unit additional turbine and generator components.

On June 26, 2017, the Commission approved Resolution No. 17-14148 which authorized the General Manager to enter into: 1) FWO/CO No. 3-03 for a new set of thrust bearing shoes for the third unit; 2) FWO/CO No. 3-04 for revising the third unit completion schedule; 3) FWO/CO No. 3-06 for a fourth new rotor spider and 4) FWO/CO No. 3-05 for 3rd unit additional work.

On December 17, 2018, the Commission approved Resolution No. 18-14301 which authorized the General Manager to: 1) issue an order to proceed on the fifth unit; 2) enter into FWO/CO No. 5-03 for release of the remaining work on the fifth unit and 3) enter into FWO/CO 5-04 for the purchase of a new outer head cover.

In March 2019, Unit B10 was found to have damaged internal turbine runner components. The District performed inspections on B9 and B6 and found similar damage on both units. In order to perform a root cause analysis, Andritz disassembled the B10 unit and transported the turbine runner to their Spokane facilities for further disassembly and detailed inspection. The conclusion of the root cause analysis was that turbine runner components must be changed with components of a different design in order to achieve the remaining intended life of the turbines.

On August 19, 2019, the Commission approved Resolution No. 19-14376 which authorized the General Manager to enter into: 1) FWO/CO 24 which required Contractor to perform repairs on Unit B10 that the District found while performing overhaul maintenance; 2) FWO/CO No. 2-02 which changed the schedule of work on Unit B9; 3) FWO/CO 2-03 which allowed Contractor to utilize the District's sandblast building for Unit B9 work, in exchange for sandblasting and painting the B9 trash racks; 4) FWO/CO 2-04 which required Contractor to supply and install piping and electrical items for Unit B9 and detailed Work tasks the District performed for the Contractor's benefit; 5) FWO/CO No. 2-05 for Unit B9 clarified coordination

between the District and Contractor during a breakdown of the District's dewatering pumps and provided for a time extension in the event Contractor was not able to complete the Work on time; 6) FWO/CO No. 2-06 for B9 clarified coordination between the District and Contractor during excessive leakage of the headgates and provided for a time extension in the event Contractor was not able to complete the Work on time; 7) FWO/CO No. 2-07 for B9 requested Contractor provide thrust bearing load cell circuitry and to modify PLC programs; 8) FWO/CO No. 2-08 for B9 requested Contractor provide a new stator terminal for District installation; 9) FWO/CO No. 2-09 for B9 requested Contractor modify one brake cylinder and restore it to original operating condition; 10) FWO/CO No. 2-10 for B9 described the end of the unit outage time and the start of the trial operation period; 11) FWO/CO No. 2-11 for B9 described the completion of the trial operation period; 12) FWO/CO No. 2-12 for B9 reimburses Contractor for additional trips by engineers for index testing; 13) FWO/CO No. 2-13 for B9 provides for incentive payment for exceeding the generator efficiency guarantee; 14) FWO/CO No. 2-14 for B9 provided a Unit acceptance date extension; 14) FWO/CO No. 2-15 for B9 started the warranty period and provided a time extension for Unit acceptance; 15) FWO/CO No. 2-16 is for Unit B9 re-alignment, purchase of a spare oil head and modifications to gate ring piping; 16) FWO/CO No. 3-07 for B6 directed the Contractor to make repairs to the stay ring; 17) FWO/CO No. 3-08 for B6 reconciled Work performed on turbine parts with allowances in the contract. Additionally, liquidated damages were assessed due to non-timely performance; 18) FWO/CO No. 4-03 for B7 directed Contractor to disassemble and remove the existing rotor. Rotor disassembly and removal was the responsibility of the District. The milestone schedule dates were also revised; 19) FWO/CO No. 4-04 for B7 directed Contractor to procure a new outer headcover; 20) FWO/CO No. 4-04A for B7 revised the Milestone Schedule for fourth unit, due to Contractor's procurement of new outer headcover; 21) FWO/CO No. 4-05 for B7 directed Contractor to machine an O-ring groove in the upper stay ring flange; 22) FWO/CO No. 4-06 for B7 provides 1) additional time to perform discharge ring repairs; 2) machining of an O-ring groove in the stay ring; 3) reconciles the cost of the discharge ring repairs and the O-ring groove; 4) applies charges for District labor support to Contractor, and 5) clarifies several technical specifications; and 23) FWO/CO No. 04-07 authorized the purchase of three sets of newly designed blade trunnion bushings designed to reduce friction during blade movement operations.

On October 21, 2019, the Commission approved Resolution No. 19-14393 which authorized the General Manager to enter into: 1) FWO/CO No. 25 was the culmination of negotiations with Andritz for repair of the B10 turbine. The repairs included: 1) the replacement of the turbine crosshead slide key system with a stronger design; 2) the addition of a third bushing in the bottom of the hub; and 3) repair of a hardened steel overlay on one of the trunnion cranks; 2) FWO/CO No. 4-08 was the culmination of negotiations with Andritz for modifications of the B7 turbine. The modifications include: 1) the replacement of the turbine crosshead slide key system with a stronger design; 2) the addition of a third bushing in the bottom of the hub; and 3) the removal of a hardened steel overlay on the trunnion cranks, and 4) the replacement of the blade trunnion bushings; 3) FWO/CO 5-05 set the start date for

unit outage work on B5. It also directed the Contractor to cap B7 so that headgates and stoplogs could be used to unwater B5. District staff negotiated with Andritz for modifications of the B5 turbine hub, that include: 1) the replacement of the turbine crosshead slide key system with a stronger design; 2) the addition of a third bushing in the bottom of the hub; 3) the removal of a hardened steel overlay on the trunnion cranks, and 4) the replacement of the blade trunnion bushings and 4) FWO/CO No. 4-09 directed Contractor to supply 3 remaining sets of new blade trunnion bushings.

On May 11, 2020, the Commission approved Resolution No. 20-14454 which authorized the General Manager to enter into: 1) FWO/CO No. 26 which allowed District staff to negotiate with Andritz for a redesign of the piston sealing system of Unit B10 to provide more reliability and longer life. Additionally, this FWO/CO No. 26 incorporated blasting and painting of the turbine shaft; 2) FWO/CO No. 27 was used for the knowledge gained upon disassembly of Unit B10 in January 2019 to direct Contractor to realignment work on the unit; 3) FWO/CO No. 28 was executed to have Contractor maintain personnel on site during the shut-down due to the COVID-19 pandemic. Contractor continued to progress engineering, procurement and project management tasks in order to be prepared for restarting Work in the powerhouse. The Work suspension began on March 23, 2020 and ended on April 19, 2020; 4) FWO/CO No. 28A executed to extend the Work suspension from April 20, 2020 through May 17, 2020; 5) FWO/CO No. 4-10 directed the Contractor to ground the surfaces of the upper and lower stay rings to provide clearance for the wicket gates to function properly; and 6) FWO/CO No. 6-02 was executed for the purchase of an additional new outer headcover. Previously, Field Work Order/Change Order No. 5-04 was executed to manufacture a new outer headcover. This new outer headcover was to be used on Unit B5 in the event the existing outer headcover was determined to not be suitable for use. If the new outer headcover was not needed for Unit B5, it would be saved to be used on Unit B8. The existing B5 outer headcover was inspected and evaluated, and District engineers have determined that it is not suitable for re-use. Therefore, the outer headcover manufactured under FWO/CO 5-04 will be used on Unit B5, and a new outer headcover is needed for Unit B8 in order to keep the procurement off the critical path if inspection of the existing B8 outer headcover determines that it is not reusable.

Executed Field Work Orders To Be Ratified

Field Work Order/Change Order No. 29

This FWO was executed for several purposes:

- a. District and Contractor shared responsibility to supply a steel floor stage to distribute heavy loads in Powerhouse 1.
- b. Contractor supplied and installed a sealing solution to seal the gap between the floor and generator air housing.
- c. Contractor supply of thrust equalizing system piston seals.
- d. Contractor sandblasted and painted existing turbine components for re-use.
- e. Contractor changed out the baghouse filters in the District's sandblast building, using District supplied filters.

The cost of this effort was \$78,014.08. It was executed on June 29, 2020 and is on file in the office of the District.

Field Work Order/Change Order No. 3-09

This FWO was issued as a directive to Contractor that the warranty period is extended and memorializes the parts of the Work that are covered. There was no change in the contract price. It was executed on July 6, 2020 and is on file in the office of the District.

Field Work Order/Change Order No. 4-11

This FWO was executed to adjust the contract milestone schedule. Unit B10 was out of service and being repaired. Rock Island Plant did not have facilities to safely unwater two units on the Plant unwatering system at the same time. Therefore, the milestone schedule established that Unit B10 would be completed prior to restarting Unit B7 assembly. The milestone schedule was also adjusted for manufacturing delays due to the Coronavirus pandemic. There was no change in the contract price. It was executed on August 7, 2020 and is on file in the office of the District.

Field Work Order/Change Order No. 4-12

This FWO directed Contractor to install Tenmat turbine guide bearing shoes in lieu of Lignum Vitae (wood) material. Since it was determined that there was no influence of either material over the other regarding unit vibration, Tenmat was chosen due to not having to stay wet when not in service. The cost of this effort is \$49,520.19. It was executed on July 29, 2020 and is on file in the office of the District.

Field Work Order/Change Order No. 4-13

This FWO directed Contractor to install grease lines onto the wicket gate operating ring, for manual greasing. The Contractor installed greaseless slide pads per the Contract. After execution of the Contract, it was determined there was a need to have a backup system. The cost of this effort is \$27,570.00. It was executed on January 22, 2021 and is on file in the office of the District.

Field Work Order/Change Order No. 4-14

This FWO removed the Site Work from the Contract, and the District's Central Maintenance crews are performing the reassembly of the unit. The contract price is reduced by -\$610,000.00. It was executed on December 29, 2020 and is on file in the office of the District.

Field Work Order/Change Order No. 5-02

This FWO extended the two-year warranty on two turbine components for an additional three years. This was an agreed resolution to manufacturing non-conformances. There was no change in the contract price. It was executed on October 4, 2018 and is on file in the office of the District.

Field Work Order/Change Order No. 5-06

This FWO was executed for several purposes:

- a. During draft tube dewatering operations, Contractor plugged an unforeseen and abandoned conduit.
- b. During draft tube concrete demolition, unforeseen voids were exposed, which Contractor repaired.
- c. In accordance with the Contract, Contractor inspected the existing stay vanes which revealed relevant indications. Contractor performed weld repairs.
- d. Contractor inspected the existing generator shaft per contract requirements which revealed relevant indications. Contractor performed the repairs.
- e. Contractor inspected the existing cylinder cover per contract requirements which revealed relevant indications. Contractor performed the repairs.
- f. Contractor inspected the existing turbine shaft per contract requirements which revealed relevant indications. Contractor performed the repairs.
- g. The contract milestone schedule was adjusted to allow for Work Suspensions due the Coronavirus pandemic.

The cost of this effort is \$151,714.66. It was executed on August 21, 2020 and is on file in the office of the District.

Field Work Order/Change Order No. 5-07

This FWO was executed to require Contractor installation supervision and on-site technical assistance be provided from the Andritz Group that manufactured the generator. There was no change in the contract price. It was executed on January 29, 2021 and is on file in the office of the District.

Field Work Order/Change Order No. 5-08

This FWO was executed for several purposes:

- a. Perform additional concrete demolition.
- b. Weld repair relevant indications on the upper stay ring.
- c. Make additional repairs to the existing intermediate head cover.
- d. Make additional repairs to the existing gate operating ring.
- e. Install manual grease lines on the existing gate operating ring as a backup system.
- f. Make additional repairs to the existing thrust bearing base ring.
- g. And machine an o-ring groove in the upper stay ring.

The cost of this effort is \$88,296.62. It was executed on February 25, 2021 and is on file in the office of the District.

FWO/CO No.	FWO/CO VALUE	UNIT	DESCRIPTION
29	\$78,014.08	B10	Floor Stage, Air Housing Seal, Piston Seals, Blast & Paint Parts and Bag House Filter Change Out
3-09	\$0.00	B6	Warranty Resolution
4-11	\$0.00	B7	Milestone Schedule Revision
4-12	\$49,520.19	B7	Turbine Guide Bearing – Shoe Bearing Segments Material Change
4-13	\$27,570.00	B7	Gate Operating Ring Grease Lines
4-14	-\$610,000.00	B7	Work Scope Modification
5-02	\$0.00	B5	Extend Warranty Period of Inner Headcover Extension and Bottom Ring
5-06	\$151,714.66	B5	Conduit Plugging, Concrete Repairs, Stay Vane Repairs, Cylinder Cover Repairs, Turbine Shaft Repairs, Generator Shaft Repairs and Milestone Schedule Revision
5-07	\$0.00	B5	Approval of On-site Technical Assistance
5-08	\$88,296.62	B5	Concrete Demolition, weld repair to upper stay ring, repairs to gate operating ring, repairs to head cover, install grease lines on gate operating ring, repair thrust bearing base ring and machine upper stay ring
Total	-\$214,884.45		

FWO/CO Nos. 29, 3-09, 4-11, 4-12, 4-13, 4-14, 5-02, 5-06, 5-07 and 5-08 result in a net decrease to the contract price in the amount of -\$214,884.45.

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 Nos. 29, 3-09, 4-11, 4-12, 4-13, 4-14, 5-02, 5-06, 5-07 and 5-08 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.

DATED this 19th day of April 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION ACCEPTING THE PROPOSAL OF OLSSON INDUSTRIAL ELECTRIC, INC. OF SPRINGFIELD, OREGON TO PROVIDE DESIGN-BUILD SERVICES FOR THE ROCK ISLAND POWERHOUSE #2 - GENERATOR LEAD REPLACEMENT PROJECT (RFP NO. 20-18) AND TO AUTHORIZE THE GENERAL MANAGER TO ENTER INTO A CONTRACT FOR SAID SERVICES

FACTUAL BACKGROUND AND REASONS FOR ACTION

On May 11, 2020, by Resolution No. 20-14452, the Commission of the District authorized the General Manager to invite sealed proposals to provide Design-Build services to the District in support of the replacement of the generator main leads on all eight (8) units in Rock Island Powerhouse #2. This project includes the replacement of the cable bus, supports and terminations for each unit. The work will be scheduled with existing unit outages and will begin in 2021 and is planned to be completed between 2024 and 2029.

Resolution No. 17-14215 requires that the Commission, by resolution, award Request for Proposals (RFP) that exceed \$3,000,000.

On September 9, 2020, the District solicited Request for Qualifications from Design-Build firms. On October 9, 2020, the District received five (5) Statements of Qualifications (SOQ). The evaluation team reviewed, scored the SOQs provided by the firms, and decided to invite three (3) firms to submit proposals in response to the District's RFP. The RFP was used to evaluate project specific criteria, technical design and cost factors. On January 15, 2021, the District received two (2) proposals. The evaluation team reviewed the proposals and selected Olsson Industrial Electric based on the combined scores for technical proposals, interviews and pricing.

District's staff determined that Olsson Industrial Electric is the best qualified firm to provide the anticipated work, and that the proposal provided by Olsson Industrial Electric for said work is fair, reasonable and meets all statutory requirements.

District's staff recommends awarding RFP No. 20-18 to Olsson Industrial Electric. Olsson Industrial Electric will assist the District with Preconstruction Services. When design is substantially complete, Olsson Industrial Electric and the District will negotiate a Guaranteed Maximum Price (GMP) for each of the units in Powerhouse #2 and other work associated with the Rock Island Powerhouse #2 – Generator Lead Replacement Project. Throughout the duration of the project, the awarded contract shall be amended, by Board resolution, to include construction work to be completed for the

guaranteed maximum price. 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, as follows:

Section 1. Olsson Industrial Electric of Springfield, Oregon has been identified as the most qualified proposer for Design-Build Services for the Rock Island Powerhouse #2 - Generator Main Lead Replacement project based on their qualifications and final proposal. The General Manager of the District is hereby authorized to enter into a contract with Olsson Industrial Electric. The contract amount for the Preconstruction Services shall not exceed \$314,355.00 without prior Board approval. A copy of the contract will be on file in the offices of the District.

DATED this 19th day of April 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AMENDMENT NO. 2
TO SYSTEM AGREEMENT (SA NO. 17-194) WITH
CORRIDOR COMPANY, INC. TO PROVIDE
CONTINUED LICENSES FOR THE CONTRACTS365
SOFTWARE AS A SERVICE

FACTUAL BACKGROUND AND REASONS FOR ACTION

Resolution No. 18-14231 provided the authorization to enter into a sole source System Agreement (SA) 17-194 with Corridor Company, Inc. (Contractor). Under that SA, the District procured the cm.app software which is used by the District to manage the contractual processes of the District, including boilerplate management, approvals, tasks, searching, and contract repository, and began implementation with Contractor.

During the implementation period, new advances in technology from the Contractor, and advances in the District's IT cloud research provided an opportunity to move this software to the cloud, providing the District additional features and consolidation of systems. The cloud based version of the software is Contracts365. Resolution 18-14279 provided the authorization for Amendment No. 1 to the SA, which authorized the purchase of a software as a service version of the Contractor's software.

During implementation and use of the software, Procurement & Contract Services have determined process improvements, additional reporting and efficiencies that have been modified in the system. Additionally, other departments have requested changes to PCS's implementation and additional functionality in order to leverage existing software to efficiently get work completed.

District staff recommends that it is in the best interest of the District to amend System Agreement No. 17-194 with Corridor Company, Inc. in the amount of \$250,868.47, for a total revised contract price not to exceed \$1,221,326.25, for the initial 5 year and 5 month term.

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 General Manager is hereby authorized to execute an Amendment to System Agreement (SA No. 17-194) with Corridor Company, Inc. The revised contract price will not exceed \$1,221,326.25 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

Dated this 19th day of April 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A SYSTEM AGREEMENT WITH ANIXTER INC. TO IMPLEMENT AN ADVANCED METERING INFRASTRUCTURE SYSTEM WITH ASSOCIATED IMPLEMENTATION, INSTALLATION, AND SUPPORT SERVICES

FACTUAL BACKGROUND AND REASONS FOR ACTION

On February 28, 2019, the District used the competitive negotiation procedures set forth in RCW 39.04.270 and issued a Request for Proposals (RFP 18-61) to install and deploy an Advanced Metering Infrastructure (“AMI”) System that includes integration with the District’s Oracle Utilities C2M (“Customer to Meter”) software. On May 3, 2019, the District received eleven (11) responses from prospective proposers.

After conducting the RFP evaluation process, District staff concluded that Anixter Inc., a corporation in the State of Delaware, is the best-qualified company to provide an AMI System that meets District requirements.

District staff have negotiated a System Agreement (SA No. 19-10469) for the AMI project in accordance with RCW 39.04.270.

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

It is District staff’s recommendation that it is in the best interest of the District to enter into the System Agreement with Anixter Inc. to provide, install, and implement the AMI System hardware, software, and services, which include an AMI head-end system, metering components, equipment, installation, implementation, training, and support services for an estimated cost not to exceed \$9,801,265.

The General Manager of the District has reviewed and concurs with District staff’s recommendation.

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 System Agreement with Anixter Inc. for AMI System software, hardware, implementation and ongoing services in an amount not to exceed \$9,801,265. A copy of the Agreement is on file in the offices of the District.

DATED this 19th day of April 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal