

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

**REGULAR COMMISSION MEETING**

**MAY 16, 2022**

Public participation will be by phone or by Microsoft Teams

For phone participation dial: 253-999-5697

Meeting ID: 935-613-750#

Please contact PUD staff at 509-661-4316 to let us know if you intend to participate by phone.

If you would like to participate via Teams, please email [lisa.sanders@chelanpud.org](mailto:lisa.sanders@chelanpud.org) to request the virtual meeting link

**\*\*Please remember to mute your phone or device to reduce background noise\*\***

**STUDY SESSION**

**10:00 AM**

1. Pledge of Allegiance and Safety/HPI Minute – Heather Poltz
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 Winner Recognition
4. Peshastin Water District Acquisition Update
5. Quarterly Energy Resources Update
6. Confluence Parkway Due Diligence
7. Rate Schedule 36 Transition Agreement
8. Public Comment

**BUSINESS SESSION**

**1:00 PM**

**Consent Agenda**

9. Minutes of the May 2, 2022 Regular Meeting

10. Vouchers: Accounts Payable Summary Report dated May 11, 2022:

- a. Vouchers totaling \$15,397,937.73;
- b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period April 27, 2022 through May 10, 2022 in the amount of \$22,952.73;
- c. Approval of the net Payroll, Warrant Nos. 237823 through 237838 and Advice Nos. 734005 through 734817 for the pay period ending April 24, 2022 in the amount of \$2,464,730.32;
- d. Approval of Warrant Nos. 28497 through 28516 totaling \$19,383.25 for claim payments from the workers' compensation self-insurance fund for the period ending May 9, 2022;
- e. Approval of Parks Reservation System customer refunds for the period April 27, 2022 through May 10, 2022 in the amount of \$2,415.00.

11. A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF PERFORMANCE UNDER BID NO. 19-83 WITH IMCO GENERAL CONSTRUCTION, INC. OF FERNDALE, WA AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

12. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NO. 5 AND 6, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER CONTRACT NO. 17-64 WITH TK ELEVATOR CORPORATION OF SEATTLE WASHINGTON AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

13. A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1, 2, 3, 4, 5, 6, 7 AND 8, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 19-65 WITH TALISMAN CONSTRUCTION SERVICES, INC. OF SPOKANE, WA AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

**Regular Agenda**

14. A RESOLUTION AMENDING RATE SCHEDULE 15 DIRECT CURRENT FAST CHARGING ELECTRIC VEHICLE CHARGING INFRASTRUCTURE RATE AS ADOPTED VIA RESOLUTION NO. 22-14624

15. A RESOLUTION AUTHORIZING AMENDMENT TO SERVICES AGREEMENT (SA NO. 16-111) WITH RITZ SAFETY, LLC TO PROVIDE A FLAME RESISTANT/ARC FLASH CLOTHING PROGRAM FOR DISTRICT EMPLOYEES

16. A RESOLUTION AUTHORIZING AMENDMENT NO. 2 TO SERVICES AGREEMENT (SA NO. 21-11406) WITH BURNS & MCDONNELL ENGINEERING COMPANY, INC. TO PROVIDE ENGINEERING SERVICES RELATED TO FIBER EXPANSION
17. A RESOLUTION AUTHORIZING AMENDMENT NO. 2 TO SERVICES AGREEMENT (SA-TA NO. 21-11370) WITH GREENWORKS, P.C. AND FURTHER AUTHORIZE AMENDMENT NO. 1 TO INTERLOCAL AGREEMENT NO. 21-11625 WITH THE CITY OF WENATCHEE FOR RIVERFRONT PARK ENHANCEMENTS
18. A RESOLUTION REJECTING ALL BIDS AND DECLARING THAT NO BIDS WERE RECEIVED FOR THE EASTBANK HATCHERY PUMP STATION REHABILITATION (BID NO. 21-06) AND AUTHORIZING THE EASTBANK HATCHERY PUMP STATION REHABILITATION BE OBTAINED BY NEGOTIATION
19. A RESOLUTION ESTABLISHING A TRANSITION RATE FOR ELECTRICITY SERVICE TO LOADS TRANSITIONING FROM ELECTRIC RATE SCHEDULE 35 TO SCHEDULE 36 CRYPTOCURRENCY PROCESSING; BLOCKCHAIN PROCESSING; AND SIMILAR LOADS
20. Capital Budget Revision  
Proposed motion: To increase the total project budget for capital project IS200003, System Operations Backup Control Center, in the amount of \$992,848. The current total project budget is \$2,002,152. The revised total project budget would be \$2,995,000
21. Manager Items
22. Commission Items
23. Follow-up on Delegation of Action Items from Previous Board Meeting
24. Delegation of Action Items
25. 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.*
26. Matters of general business as may necessarily come before the Commission
27. 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) 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 BID NO. 19-83 WITH IMCO GENERAL CONSTRUCTION, INC. OF FERNDALE, WA AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

Public Utility District No. 1 of Chelan County (District) adopted Resolution No. 20-14474 on July 20, 2020 which authorized the rejection of all bids, declared that no bids were received, and waived the competitive bidding requirements of RCW 54.04.070, and authorized the District to obtain the Rock Island Dam Spillway Pier 1 Repairs via negotiation. After negotiation, the District entered into a contract (Bid No. 19-83) on August 17, 2020, with IMCO General Construction, Inc. (Contractor) of Ferndale, WA for the Rock Island Dam Spillway Pier 1 Repairs, in the amount of \$5,118,955.

The work in Field Work Order Nos. 1-4 consists of conditions and work not anticipated or included in the original contract but within the scope of the contract. The District's staff has executed Field Work Order Nos. 1-4, which are on file in the offices of the District and summarized as follows:

<b>Field Work Order No.</b>	<b>Amount</b>
1. 800 Amp Service Rack, PH 1 Cable Tray, and Milestone Schedule Revision	\$115,690.46
2. Conduit brackets, lighting boxes, additional concrete repairs and Milestone Schedule Revision	\$55,103.78
3. Schedule B Concrete Repairs and Milestone Schedule Revision	\$0
4. Additional Concrete Repairs and Final Reconciliation	\$37,544.31
<b>Total</b>	<b>\$208,338.55</b>

Field Work Order Nos. 1-4 result in a net increase of \$208,338.55 for a new revised total price of \$5,327,293.55 (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 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 April 11, 2022. 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. Field Work Order Nos. 1-4 to Bid No. 19-83 with IMCO General Construction, Inc. for the work specified above, which will result in a net increase in the purchase price of \$208,338.55, for a total revised contract price of \$5,327,293.55, plus Washington State sales tax, is hereby ratified.

Section 2. All the contract work required under Bid No. 19-83 was completed on April 11, 2022, 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 3. This resolution shall not constitute an acceptance by the District of any work performed or goods supplied pursuant to the aforementioned contract, which are not in strict compliance with the contract terms and conditions.

Section 4. After the expiration of the forty-five (45) day period for giving the District notice of lien and after receipt of the Department of Revenue's certification of the Contractor's payment of taxes, the Employment Security Department's Certificate of Payment of Contributions, Penalties and Interest on Public Works Contracts, and the Department of Labor & Industries' Certificate of Release of the State's Lien on Public Works Contracts and the District being satisfied that taxes certified as due or to become due are discharged and the filed claims of materialmen and laborers, if any, together with a sum sufficient to pay costs of foreclosing the liens and attorney's fees, have been paid, the District's General Manager is authorized and directed to release the bond in lieu of retainage. In the event said taxes, claims, expenses and fees have not been paid, the General Manager is authorized and directed to file a claim against the bond in lieu of retainage in an amount equal to unpaid taxes and unpaid claims, together with a sum sufficient to defray the costs and attorney fees incurred in foreclosing the lien of such claims, and following payment of such claim, release the bond in lieu of retainage.

DATED this 16th day of May 2022.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

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

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 5 AND 6, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER CONTRACT NO. 17-64 WITH TK ELEVATOR CORPORATION OF SEATTLE WASHINGTON 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. Authority was also granted to the General Manager and the staff to execute field work order/change orders under certain circumstances.

On December 12, 2018, the District entered into a Contract 17-64 with ThyssenKrupp Elevator Corporation of Seattle Washington for the Elevator Modernizations, in the amount of \$2,473,034.48, utilizing the National Cooperative Purchasing Alliance Contract 02-43.

On March 19, 2021, ThyssenKrupp Elevator Corporation changed their name to TK Elevator Corporation (Contractor).

On December 7, 2020, Resolution 20-14507 ratified and approved Field Work Order/Change Orders No. 1, 2, 3, and 4. Field Work Order/Change Order Nos. 1 through 4 result in a net increase in the contract price of \$511,012.63, for a revised contract price of \$2,984,047.11

The work in Field Work Order/Change Order Nos. 5 and 6 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/Change Order Nos. 5 and 6, which are on file in the offices of the District and summarized as follows:

<b>Number</b>	<b>Description</b>	<b>Amount</b>
5	Rocky Reach North Elevator #2 Car and Counterweight Buffers	\$9,326.28
6	Power Transfer Switch and Elevator Cab Carpet for Rocky Reach Elevator #1	\$5,365.00
<b>Total</b>		<b>\$14,691.28</b>

Field Work Order/Change Order Nos. 5 and 6 results in a net increase in the contract price for a new revised total price of \$14,691.28 (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 11, 2022. In accordance with the terms of the contract, the Contractor has provided a bond in lieu of retainage equal to 5% of the contract price.

The General Manager of the District concurs with staff's recommendations that the District accept the work performed by the Contractor, ratify Field Work Order/Change Order Nos. 5 and 6 and authorize the release of the related bond in lieu of retainage, subject to the requirements of the contract and state law.

### **ACTION**

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

Section 1. Field Work Order/Change Order Nos. 5 and 6 to Contract No. 17-64 with TK Elevator Corporation for the work specified above, which will result in a net increase in the purchase price of \$14,691.28, for a total revised contract price of \$2,998,738.39, plus Washington State sales tax, is hereby ratified.

Section 2. All the contract work required under Contract No. 17-64 was completed on April 11, 2022 and the same is hereby accepted, subject to Section 3 hereof. Release of the Contractor's bond in lieu of retainage is authorized subject to Section 3 and Section 4 hereof, and subject to the provisions and limitations of Chapter 39.12 RCW (Prevailing Wages on Public Works) and 60.28 (Liens for Labor, Materials and Taxes on Public Works).

Section 3. This resolution shall not constitute an acceptance by the District of any work performed or goods supplied pursuant to the aforementioned contract, which are not in strict compliance with the contract terms and conditions.

Section 4. After the expiration of the forty-five (45) day period for giving the District notice of lien and after receipt of the Department of Revenue's certification of the Contractor's payment of taxes, the Employment Security Department's Certificate of Payment of Contributions, Penalties and Interest on Public Works Contracts, and the Department of Labor & Industries' Certificate of Release of the State's Lien on Public Works Contracts and the District being satisfied that taxes certified as due or to become due are discharged and the filed claims of materialmen and laborers, if any, together with a sum sufficient to pay costs of foreclosing the liens and attorney's fees, have been paid, the District's General Manager is authorized and directed to release the bond in lieu of retainage. In the event said taxes, claims, expenses and fees have not been paid, the General Manager is authorized and directed to file a claim against the bond in lieu of retainage in an amount equal to unpaid taxes and unpaid



claims, together with a sum sufficient to defray the costs and attorney fees incurred in foreclosing the lien of such claims, and following payment of such claim, release the bond in lieu of retainage.

DATED this 16th day of May 2022.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

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

A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1, 2, 3, 4, 5, 6, 7 AND 8, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 19-65 WITH TALISMAN CONSTRUCTION SERVICES, INC. OF SPOKANE, 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. Authority was also granted to the General Manager and the staff to execute field work orders under certain circumstances.

On May 29, 2020, the District entered into a contract (Bid No. 19-65) with Talisman Construction Services, Inc. of Spokane, WA (Contractor) for Rock Island Powerhouse 1 Gate Slot Support Ledge Rehabilitation, in the amount of \$1,013,344.00. This contract was advertised for public bid and was awarded as required by RCW 54.04.070 and .080.

The work in Field Work Order Nos. 1, 2, 3, 4, 5, 6, 7 and 8 consists of conditions and work not anticipated or included in the original contract but within the scope of the contract. The District's staff has executed Field Work Order Nos. 1, 2, 3, 4, 5, 6, 7 and 8, which are on file in the offices of the District and summarized as follows:

<b>Field Work Order No.</b>	<b>Amount</b>
1. Add hooks to upstream ledge support plates and corner guards at all slots corners	\$67,718.93
2. Rail anchor replacement and vent box repair	\$36,003.64
3. Modification of the repair to the downstream ledger plates	\$140,000.00
4. Modification of the repair to the downstream ledger plates	\$162,444.05
5. Additional vent box repair and extension of Contract Time	\$17,979.48
6. Extension of Contract Time	\$0.00
7. Revised contract constraints to complete Unit B10 Work	\$39,805.25
8. Additional anchor bolt replacements and grating modification	\$15,975.00
<b>Total</b>	<b>\$479,926.35</b>

Field Work Order Nos. 1, 2, 3, 4, 5, 6, 7 and 8 results in a net increase in the contract price of \$479,926.35 for a new revised total price of \$1,493,270.35 (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 29, 2022. 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 accepts the work performed by the Contractor, ratify Field Work Order Nos. 1, 2, 3, 4, 5, 6, 7 and 8 and authorize the release of the related bond in lieu of retainage, subject to the requirements of the contract and state law.

### **ACTION**

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

Section 1. Field Work Order Nos. 1, 2, 3, 4, 5, 6, 7 and 8 to Bid No. 19-65 with Talisman Construction Services, Inc. for the work specified above, which will result in a net increase in the contract price of \$479,926.35, for a total revised contract price of \$1,493,270.35, plus Washington State sales tax, is hereby ratified.

Section 2. All the contract work required under Bid No. 19-65 was completed on April 29, 2022, and the same is hereby accepted, subject to Section 3 hereof. Release of the Contractor's bond in lieu of retainage is authorized subject to Section 3 and Section 4 hereof, and subject to the provisions and limitations of Chapter 39.12 RCW (Prevailing Wages on Public Works) and 60.28 (Liens for Labor, Materials and Taxes on Public Works).

Section 3. This resolution shall not constitute an acceptance by the District of any work performed or goods supplied pursuant to the aforementioned contract, which are not in strict compliance with the contract terms and conditions.

Section 4. After the expiration of the forty-five (45) day period for giving the District notice of lien and after receipt of the Department of Revenue's certification of the Contractor's payment of taxes, the Employment Security Department's Certificate of Payment of Contributions, Penalties and Interest on Public Works Contracts, and the Department of Labor & Industries' Certificate of Release of the State's Lien on Public Works Contracts and the District being satisfied that taxes certified as due or to become due are discharged and the filed claims of materialmen and laborers, if any, together with a sum sufficient to pay costs of foreclosing the liens and attorney's fees, have been paid, the District's General Manager is authorized and directed to release the bond in lieu of retainage. In the event said taxes, claims, expenses and fees have not been paid, the General Manager is authorized and directed to file a claim against the bond in lieu of retainage in an amount equal to unpaid taxes and unpaid claims, together with a sum sufficient to defray the costs and attorney fees incurred in

foreclosing the lien of such claims, and following payment of such claim, release the bond in lieu of retainage.

DATED this 16th day of May 2022.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

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

A RESOLUTION AMENDING RATE SCHEDULE 15  
DIRECT CURRENT FAST CHARGING ELECTRIC  
VEHICLE CHARGING INFRASTRUCTURE RATE AS  
ADOPTED VIA RESOLUTION NO. 22-14624

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

The Public Utility District No. 1 of Chelan County (District) has the authority to create rate classes and to establish and modify rates in compliance with RCW 54.24.080. On January 10, 2022, via Resolution No. 22-14624, the board adopted a new retail electric rate applicable to customers who own and/or operate publicly available direct current fast charging stations with an effective date of June 1, 2022.

As staff developed administrative processes and guidelines for the new rate schedule, staff identified a need to clarify the availability of the rate schedule, establish a maximum service size, and correct errata. Existing customers will not be affected. The amended rate schedule will apply to the same existing customer loads as the original rate schedule. The rates and the June 1, 2022, effective date are unchanged.

The District established processes and procedures for ensuring public notice and information to customers of proposed rate actions through Resolution No. 18-14256. Staff recommends the Commission waive requirements for rate hearings and other pre- and post-action public notice as this action does not change rate components and does change applicability to existing customers. The requirements for meetings and customer notices established by Resolution No. 18-14256 were satisfied relative to the adoption of Resolution No. 22-14624.

Staff recommends the Board of Commissioners adopt the amended rate schedule.

The General Manager 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, WASHINGTON, as follows:

Section 1. Requirements for determining meetings and notices as established by Resolution No. 18-14256 have been hereby waived.

Section 2. The electric rate classification, rates, and terms set forth in the amended rate schedule attached hereto as Exhibit A are determined to be fair,

reasonable, and not discriminatory. The classification, rates, and rate schedule set forth in Exhibit A are hereby adopted and shall be effective June 1, 2022.

Section 3. The adoption of this rate resolution is not a major action under the State Environmental Policy Act, and as such is categorically exempt under WAC 197-11-800(14)(i).

Section 4. This resolution rescinds and supersedes prior resolutions and Commission actions that are inconsistent with this resolution and exhibits. This resolution shall not render invalid any previous action by this Commission regarding rates, service regulations, policies, fees, charges, or agreements except as specifically included in this resolution and exhibits.

Dated this 16th day of May 2022.

ATTEST:

\_\_\_\_\_  
President

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

## Exhibit A

# Direct Current Fast Charging Electric Vehicle Rate

## Rate Schedule 15

### AVAILABILITY:

This schedule is available throughout Chelan County served by the District except for the Stehekin area and is applicable to service for publicly available direct current (DC) electric vehicle level 3 fast charging infrastructure up to 5,000 kilowatts (KW).

1. Includes service for publicly available, level 3 DC electric vehicle charging infrastructure.
2. Excludes level 1 (120-volt) and level 2 (240-volt) charging infrastructure that does not share a meter with level 3 DC fast charging infrastructure subject to this rate schedule.
3. Excludes any solitary DC fast charging unit that shares a meter with a use typically classified under a different Rate Schedule and where the other use is the primary use behind the meter.

### CHARACTER OF SERVICE:

Service to be furnished under this schedule will be 3-phase 480-volt or greater service.

### RATES:

Rate Schedule 15 DC Fast Charging EV Service	6/1/2022	6/1/2023	6/1/2024
<b>Basic Charge</b>	\$40.00	\$41.20	\$42.45
<b>Demand Charge</b>	\$2.65	\$5.20	\$5.40
<b>Energy Charge</b>	\$0.0310	\$0.0320	\$0.0330

### POWER FACTOR

Service under this schedule is subject to Power Factor Rate Schedule 24.

### RATES OVER 5 MW

Service will be under Large Loads Schedule 4.

### TAX ADJUSTMENT:

The amount of tax levied by any city or town in accordance with R.C.W. 54.28.070, of the laws of the State of Washington, will be added to the above charges for electricity sold within the limits of any such city or town.

### SERVICE POLICY:

Service under this Schedule is subject to the rules and regulations as defined in the District's Utility Service Regulations.

**EFFECTIVE:** June 1, 2022

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

A RESOLUTION AUTHORIZING AMENDMENT TO  
SERVICES AGREEMENT (SA NO. 16-111) WITH  
RITZ SAFETY, LLC TO PROVIDE A FLAME  
RESISTANT/ARC FLASH CLOTHING PROGRAM  
FOR DISTRICT EMPLOYEES

## FACTUAL BACKGROUND AND REASONS FOR ACTION

The District entered into a Services Agreement, SA No. 16-111 (the “Agreement”) on December 30, 2016, with Ritz Safety, LLC to provide a flame resistant/arc flash clothing program for District employees in an amount not to exceed \$60,000. Amendments since that time have increased the Agreement to \$498,000.

District staff has identified the need for additional services for the flame resistant/arc flash clothing program. Continued use requires an additional \$50,000 for the services through June 30, 2022. Resolution No. 17-14215 requires that the Commission, by resolution, authorize Amendments to 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 Agreement No. 16-111 with Ritz Safety, LLC by \$50,000, for a total revised contract price not to exceed \$548,000.

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 Agreement No. 16-111 with Ritz Safety, LLC to provide the additional services identified above. The revised contract price will not exceed \$548,000 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.



DATED this 16th day of May 2022.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

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

A RESOLUTION AUTHORIZING AMENDMENT  
NO. 2 TO SERVICES AGREEMENT (SA NO. 21-  
11406) WITH BURNS & MCDONNELL  
ENGINEERING COMPANY, INC. TO PROVIDE  
ENGINEERING SERVICES RELATED TO FIBER  
EXPANSION

## FACTUAL BACKGROUND AND REASONS FOR ACTION

The District entered into a Services Agreement (SA No. 21-11406) on September 2, 2021, with Burns & McDonnell Engineering Company, Inc. to provide engineering services related to fiber expansion, in an amount not to exceed \$450,000.

District staff has identified the need for additional services for expanding the fiber distribution system. 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 District's best interest to amend Services Agreement No. 21-11406 with Burns & McDonnell Engineering Company, Inc. in the amount of \$400,000, for a total revised contract price not to exceed \$850,000.

The General Manager has reviewed the 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 Amendment No. 2 to Services Agreement (SA No. 21-11406) with Burns & McDonnell Engineering Company, Inc. to provide the additional services identified above. The revised contract price will not exceed \$850,000 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 16th day of May 2022.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

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Commissioner

Seal

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

A RESOLUTION AUTHORIZING AMENDMENT NO. 2 TO SERVICES AGREEMENT (SA-TA NO. 21-11370) WITH GREENWORKS, P.C. AND FURTHER AUTHORIZE AMENDMENT NO. 1 TO INTERLOCAL AGREEMENT NO. 21-11625 WITH THE CITY OF WENATCHEE FOR RIVERFRONT PARK ENHANCEMENTS

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

After an extensive community planning effort, the Riverfront Park Development Plan was approved by the District Board of Commissioners and the Wenatchee City Council on December 6, 2021 and January 13, 2022 respectively. Wenatchee Riverfront Park is a defining feature of the community and the most urban segment of the Apple Capital Loop Trail. The park includes approximately 31 acres and a majority of the land in the park is owned by the City of Wenatchee (City) and has been leased to the District since 1983 to support park development as part of the District's responsibilities under its Federal license for the Rock Island Project (FERC Project #943).

The District entered into a Services Agreement (SA-TA No. 21-11370) on March 18, 2021, with GreenWorks, P.C. to provide professional services associated with Riverfront Park Enhancements in an amount not to exceed \$400,000. On August 19, 2021, Amendment No. 1 was executed to revise Exhibit B to the Agreement. The term of SA-TA No. 21-11370 is currently through December 31, 2022, but both Parties desire to extend the term of this Agreement.

District staff has identified the need for additional funds to conduct work on the Riverfront Park enhancements. 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 SA-TA No. 21-11370 with GreenWorks, P.C. to extend the term through December 31, 2025 and increase the not to exceed amount by \$1,000,000 for a total revised contract price not to exceed \$1,400,000.

Additionally, on March 15, 2021, the Commission approved Resolution No. 21-14543 which authorized the District to enter into Interlocal Agreement No. 21-11625 with the City relating to development projects. Along with other provisions, the Interlocal Agreement, which was executed on March 15, 2021, provided that the City would pay \$2,000,000 toward the design and construction of the Park Project using its Local Revitalization Fund funding and that the District would pay the City \$300,000 to be used for capital improvement projects.

District staff has identified that it is in the District’s best interest to enter into Amendment No. 1 to Interlocal Agreement No. 21-11625 with the City of Wenatchee to support implementation of Phase 1 of the Riverfront Park Master Plan and for the Park Project, which includes \$1,840,175 in additional funding by the District to match remaining City funding. Resolution No. 17-14215 requires that the Commission, by resolution, authorize interlocal agreements and amendments that will result in payment by the District of \$200,000 or more for services.

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 Amendment No. 2 to Services Agreement (SA-TA No. 21-11370) with GreenWorks, P.C., to extend the contract through December 31, 2025 and to provide the services identified above. The revised contract price will not exceed \$1,400,000 through December 31, 2025 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

Section 2. The Commission hereby approves Amendment No. 1 to Interlocal Agreement No. 21-11625 with the City of Wenatchee as described above and authorizes the General Manager to execute said amendment.

DATED this 16th day of May 2022.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

**First Amendment to Interlocal Agreement 21-11625**

THIS IS THE FIRST AMENDMENT (“Amendment”) to INTERLOCAL AGREEMENT NO. 21-11625 (“Agreement”) dated March 15, 2021, by and between the City of Wenatchee (“City”) and the Public Utility District No. 1 of Chelan County (“District”). The City and the District are referred to herein individually as a Party and collectively as Parties.

RECITAL:

1. The City and District wish to amend the Agreement to reflect modified contributions and a changed scope of work relative to the Park Project.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the Parties agree as follows:

1. Amendment to Section 5.2 of the Agreement. Section 5.2 shall be deleted and replaced with the following language:

5.2 The District and the City will each contribute \$1,840,175 (which includes the remainder of the funds stated in Section 5.1) to support implementation of Phase 1 of the Riverfront Park Master Plan for the Park Project, specifically as identified on Exhibit A attached hereto and incorporated herein. The District shall manage applicable contracts with design firm(s), contractor(s) and related professionals and subcontractors unless otherwise agreed to by the Parties in writing. The City and District shall mutually agree on all associated scopes of work for planning, design and construction activities. A technical advisory committee shall be formed consisting of City and District staff and the consultant team to ensure close coordination, consultation and mutual acceptance of all work associated with Phase 1. The District shall invoice the City for expenses it has incurred consistent with the LRF requirements and the City shall reimburse the District within 30 days of invoice.

2. The Agreement Remains in Effect. Except as expressly modified by this Amendment, all of the terms, conditions, covenants, representations and understandings contained in the Agreement shall remain unchanged and in full force and effect, and the same are hereby expressly ratified and confirmed by the Parties hereto.

APPROVED BY:  
 THE CITY OF WENATCHEE  
 CHELAN COUNTY

This \_\_\_ day of \_\_\_\_\_, 2022

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

APPROVED BY:  
 PUBLIC UTILITY DISTRICT NO. 1 OF

This \_\_\_ day of \_\_\_\_\_, 2022

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_

Attest: \_\_\_\_\_

**Exhibit A**

Phase I includes the following design tasks as more specifically described in the Scope of Services and agreements between Chelan PUD and landscape architecture firm GreenWorks, PC:

- Pre-design development and coordination
- Schematic design
- Design development
- Construction documents (30%/60%/90%)
- Permitting assistance
- Construction documents (100%)
- Services during construction

In addition, Phase I, includes construction of the following enhancements included in the Riverfront Park Master Plan:

PROJECTS & ESTIMATED COST		
1	Grove Picnic Pavilion .....	\$570,000
	Splash Pad .....	\$726,000
2	Grove Trail Segment .....	\$375,000
3	Entry Node Trail Segment .....	\$110,000
	Entry Node .....	\$682,000
	Train Play Area .....	\$504,000
	Railroad Depot & Screening .....	\$825,000
4	Railroad Trail Segment .....	\$243,000
5	Open Lawn Trail Segment .....	\$230,000
<b>Phase 1 Total Cost .....</b>		<b>\$4,266,000</b>

It should be noted that identified project funding may not cover the full cost of construction. The parties agree to coordinate on final design, bid elements and selected scope as part of design development. Should additional funds be allocated, this Agreement shall be updated.

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

A RESOLUTION REJECTING ALL BIDS AND DECLARING THAT NO BIDS WERE RECEIVED FOR THE EASTBANK HATCHERY PUMP STATION REHABILITATION (BID NO. 21-06) AND AUTHORIZING THE EASTBANK HATCHERY PUMP STATION REHABILITATION BE OBTAINED BY NEGOTIATION

## FACTUAL BACKGROUND AND REASONS FOR ACTION

The 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.

District staff prepared bidding documents for Bid 21-06, Eastbank Hatchery Pump Station Rehabilitation.

Sealed proposals were invited and published in accordance with RCW 54.04.070 and said bids were opened on April 4, 2022 at 2:30 P.M. Pacific Time in the offices of the District.

Two (2) bids were received pursuant to that invitation. The bid proposals were received from Strider Construction Co., Inc. of Bellingham, Washington, and POW Contracting of Pasco Washington. Both bids exceeded the engineer's estimate by over fifteen percent (15%).

District staff is of the opinion that the bids were non-responsive due to price and should be rejected. Resolution No. 17-14215 requires that the rejection of bids must come before the Commission for action when staff is recommending an action other than rebidding.

Pursuant to RCW 54.04.080, the District may procure the work on the open market and negotiate a contract rather than re-advertising if no bids are received. District staff recommends that, due to time constraints and project requirements, the Eastbank Hatchery Pump Station Rehabilitation be procured by negotiation, rather than re-advertising for bids.

District staff has determined that it is in the District's best interest to increase the capital project budget by \$750,000 for a revised capital project budget of \$2,159,000.

The General Manager of the District 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 bids received to furnish the Eastbank Hatchery Pump Station Rehabilitation (Bid No. 21-06) are rejected. District staff is authorized to obtain the Eastbank Hatchery Pump Station Rehabilitation by negotiation and the General Manager (or his designee) is authorized to execute a contract for the same with acceptable terms and conditions.

Section 2. The Eastbank Hatchery Pump Building Rehab capital project budget (RI210006) is hereby increased by \$750,000 to \$2,159,000.

DATED this 16<sup>th</sup> day of May 2022.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

**2022**  
**CAPITAL PROJECT BUDGET REVISION**



**Total Project Revision**

Project ID	Project Title	Fund	Dept	Total Project Budget		
				Current	incr (decr)	Revised
RI210006	HTEB Pump Bldg Rehab	RICN	7510	1,409,000	750,000	2,159,000
	-	-		-		-
	-	-		-		-
	-	-		-		-
	-	-		-		-
	-	-		-		-

**New Project**

	Project Title	Tot Budget
New Project		

**Current Year Budget changes (optional)**

Project ID	Project Title	Fund	Dept	Current Year Budget		
				Current	incr (decr)	Revised
	-	-		-		-
	-	-		-		-
	-	-		-		-
	-	-		-		-
	-	-		-		-
	-	-		-		-

SYSTEM	Current Year System Budget		
	Current	Tot CY chg above	Revised
-	-	-	-

**Narrative (attach additional pages if necessary):**

Bid results for construction of this project are significantly higher than the estimate used to develop the budget. Prior to bidding, staff and the project manager worked together to value engineer the design to meet minimum operational requirements. Because the facility is necessary for operations and the proposed improvements are necessary to meet safety requirements, we are requesting a budget revision. There is no additional scope to the project.


**APPROVALS:**

  
\_\_\_\_\_  
Director

5/11/2022  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Business Advisor

5-11-2022  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Managing Director (New or total increases greater than \$50k)

5-11-2022  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
General Manager (New or total increases greater than \$150k)

5/12/2022  
\_\_\_\_\_  
Date

Note: Board approval required for new or total increases greater than \$500k.

\_\_\_\_\_  
Budget Entry Date

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

A RESOLUTION ESTABLISHING A  
TRANSITION RATE FOR ELECTRICITY  
SERVICE TO LOADS TRANSITIONING FROM  
ELECTRIC RATE SCHEDULE 35 TO SCHEDULE  
36 CRYPTOCURRENCY PROCESSING;  
BLOCKCHAIN PROCESSING; AND SIMILAR  
LOADS

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

Public Utility District No. 1 of Chelan County (District) has the authority to create rate classes and to establish and modify rates. The District, if it has revenue obligations outstanding, is required to establish, maintain, and collect rates or charges for electric energy and water and other services, facilities, and commodities sold, furnished, or supplied by the District in compliance with RCW 54.24.080. The rates and charges must be fair, nondiscriminatory and adequate to provide revenues sufficient for the payment of the principal of and interest on such revenue obligations for which the payment has not otherwise been provided and all payments which the District is obligated to set aside in any special fund or funds created for such purpose, and for the proper operation and maintenance of the public utility and all necessary repairs, replacements, and renewals thereof. This resolution addresses the creation of a new rate transition period for the class of customers that recently finished transitioning onto Electric Rate Schedule 35, High Density Load (Schedule 35) and now are on Electric Rate Schedule 36, Cryptocurrency Processing; Blockchain Processing; and Similar Loads, (Schedule 36). The Commission established Schedule 36 on December 3, 2018 by Resolution No. 18-14287.

On July 18, 2016, by Resolution No. 16-14059, the Commission established a 5-year transition rate for existing High Density Load (HDL) customers that met certain criteria set forth in the resolution. Some eligible HDL customers availed themselves of the transition rate by entering into written contracts with the District. Those contracts expired on December 31, 2021. On January 1, 2022, the transitioned customers moved onto the Schedule 36 cryptocurrency rate pursuant to the terms of the contract and the District's rate schedules.

Following public feedback and requests from customers, the Commission held a public meeting on the subject of a rate transition with a presentation from staff and directed staff to propose Schedule 36 customer transition rate options to be available for customers that held HDL transition contracts. Additionally, the Commission considered the automatic annual adjustment to the Schedule 36 energy rate which was scheduled to go into effect on April 1, 2022. The automatic adjustment would have increased the Schedule 36 energy charge. On March 21, 2022, the Commission moved to postpone the automatic adjustment

effective date to June 1, 2022, to allow time for resolution of customer requests without compounding the interim impact to customers. The Commission ratified the motion on April 4, 2022 by Resolution No. 22-14649.

The District established processes and procedures for ensuring public notice and information to customers of proposed rate actions through Resolution No. 18-14256. Staff recommends the Commission waive requirements for rate hearings and other pre-action public notice as this action is limited to transitioning from established Schedule 35 to established Schedule 36. Furthermore, the transition rate will only apply to eligible customers that elect to participate by executing transition contracts. No customer's rates will be increased above previously established rates. Eligible customers have been provided example transition contracts. Eligible customers currently billed under Rate 36 will be advised of the availability of the transition rate via direct notice either in written or electronic communication.

Staff recommends that the Board of Commissioners adopt the transition rate as set forth below.

The General Manager has reviewed staff's recommendations and concurs in the same.

### **FINDINGS**

After fully considering the public presentation by staff in March 2022 and comments from members of the public including Schedule 36 customers, the Commission makes the following findings:

- The Commission concurs with and adopts the recommendations made in this resolution.
- Because certain existing Schedule 36 loads were established prior to the adoption of Schedule 36 with substantial capital real property and infrastructure investment and, to mitigate the loss of this prior investment and to spread the move to Schedule 36 rates into steps over time, a process is appropriate to transition certain existing loads from Schedule 35 to the Schedule 36.
- The transition rate is fair, reasonable and not discriminatory.

### **ACTION**

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

Section 1. Requirements for determining meetings and notices as established by Resolution No. 18-14256 have been hereby waived. Staff is directed to communicate notice of the transition rate directly to the Schedule 36 customers eligible for transition contracts via written or electronic transmission.

Section 2. The transition rate classification, rates, and terms set forth in this resolution are determined to be fair, reasonable, necessary and not discriminatory.

Section 3. A transition period for payment of Schedule 36 rates not to exceed two (2) years is hereby established for existing Schedule customers that meet the following criteria:

- a. Met the criteria for HDL transition rate and entered into a written HDL transition contract as set forth in Section 3 of Resolution No. 16-14059 or are successors to customers that met the criteria and entered into an such a contract;
- b. Are operating load that has operated continuously since July 18, 2016 and is within the size and characteristics permitted under the applicable HDL transition contract;
- c. Are in full compliance with the District's Service Regulations and policies, including having properly identified the nature of the load to the District;
- d. Willingly enter into a written agreement with the District which includes substantially the following terms and conditions:
  - i. Identifies the service location and properly characterizes the load under the current rate classifications;
  - ii. Applies Schedule 36 rates and terms of service except the energy charge portion of the rate transitions as follows: from June 1, 2022 to May 31, 2023, the then-current energy charge in Schedule 35 plus one third of the positive difference between the then-current Schedule 35 energy charge and the Schedule 36 energy charge in effect on June 1, 2022; from June 1, 2023 to May 31, 2024, the then-current energy charge in Schedule 35 plus two thirds of the positive difference between the then-current Schedule 35 energy charge and the Schedule 36 energy charge in effect on June 1, 2023 but no less than the transition energy charge in effect June 1, 2022;
  - iii. For any contracts over the 3 MW threshold in Schedule 36, provision for continued service on and after June 1, 2024 at Schedule 36 rates;
  - iv. Establishes a cap on the amount of load subject to the transition rates in the agreement at the current load, and that all new or expanded load beyond the cap is subject to a new application for service and the full Schedule 36 rate, or such other rate schedule as may apply, and other District service regulations and policies;
  - v. Provides that in the event of breach of the agreement or in the event that the agreement or the transition period is

- terminated or overturned, the full Schedule 36 rate applies, or such other rate schedule as may apply;
- vi. Such other terms and conditions deemed appropriate by the District's General Manager or designee.

Section 4. The General Manager or designee is authorized and directed to enter into Schedule 36 transition agreements described in this resolution.

Section 5. The adoption of this rate resolution is not a major action under the State Environmental Policy Act, and as such is categorically exempt under S.E.P.A. guidelines, WAC 197-11-800(14)(i).

Section 6. This resolution rescinds and supersedes prior resolutions and Commission actions that are inconsistent with this resolution. This resolution shall not render invalid any previous action by this Commission regarding rates, service regulations, policies, fees, charges or agreements except as specifically included in this resolution.

Dated this 16th day of May 2022.

ATTEST:

\_\_\_\_\_  
President

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal