

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

REGULAR COMMISSION MEETING

MAY 20, 2024

STUDY SESSION

10:00 AM

1. Pledge of Allegiance and Safety/H&OP Minute – Kate Taylor
2. Approval of the Agenda
3. CPO Winner Recognition
4. Upper Valley Transmission Update
5. Transmission Contracting and Policy Development Updates
6. West Wenatchee Substation Update
7. Strategic Vision, Business, and Budget Planning:
 - a. Delegated Authority
 - b. Public Power Benefit Funding
8. Public Comment
Time reserved for public comments or questions related to matters not covered by the agenda

BUSINESS SESSION

1:00PM

Consent Agenda

9. Minutes of the May 3, 2024 Special Meeting and May 6, 2024 Regular Meeting
10. Vouchers: Accounts Payable Summary Report dated May 14, 2024:
 - a. Vouchers totaling \$16,952,445.00;
 - b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period April 30, 2024 through May 13, 2024 in the amount of \$36,466.53.

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- c. Approval of the net Payroll, Warrant Nos. 238453 through 238463 and Advice Nos. 777310 through 778164 for the pay period ending May 05, 2024 in the amount of \$2,760,265.32.
- d. Approval of Warrant Nos. 31283 through 31369 totaling \$48,504.20 for claim payments from the workers' compensation self-insurance fund for the period ending May 13, 2024.
- e. Approval of Parks Reservation System customer refunds for the period April 30, 2024 through May 13, 2024 in the amount of \$1,435.00.

11. A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 22-12271 WITH MCKINSTRY, CO. OF SPOKANE, WA AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

Regular Agenda

12. A RESOLUTION AUTHORIZING AMENDMENT NO. 1 TO SERVICES AGREEMENT (SA NO. 23-12876) WITH PYTHIAN SERVICES USA INC. TO PROVIDE IT CONSULTING AND MANAGED SERVICES

13. A RESOLUTION AWARDED SPECIFIC LINES TO GENERAL PACIFIC, INC. OF FAIRVIEW OREGON, REJECTING BIDS, AND AUTHORIZING THE 2025 TRANSFORMER PURCHASE AND SUPPLY (BID NO. 23-13135) BE OBTAINED BY NEGOTIATION FOR THE REMAINING LINES

14. Capital Budget Revision: North Shore Getaway
Proposed Motion: To increase the Total Project Budget for capital project DS220013, North Shore Substation Getaways, in the amount of \$750,000 for a revised total project budget of \$4,082,934 with no change to the overall 2024 Distribution capital budget

15. Manager Items

16. Commission Items

a. Special Meeting

Proposed motion: To reschedule the Board Workshop from Friday, May 24, 2024 to Tuesday, July 2, 2024 @ 9:00am at the Confluence Technology Center, 285 Technology Center Way, Wenatchee

17. Follow-up on Delegation of Action Items from Previous Board Meeting

18. Delegation of Action Items

19. Additional Public Comment

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20. Matters of general business as may necessarily come before the Commission
21. 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 WORK PERFORMED UNDER BID NO. 22-12271 WITH MCKINSTRY, CO. 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.

On April 11, 2023, the District entered into a contract (Bid No. 22-12271) with McKinstry CO. (Contractor) of Spokane Washington for the Rocky Reach Transformer Fire Protection Upgrade, in the amount of \$510,026. This contract was advertised for public bid as required by RCW 54.04.070 and .080. The bids received did not meet all statutory requirements. Pursuant to RCW 54.04.080 and Resolution No. 22-14719, the Commission rejected all bids as not responsive and authorized the District to obtain Rocky Reach Transformer Fire Protection Upgrade by negotiation.

The work in Field Work Order/Change Order Nos. 1 and 2 consists of schedule time extensions due to punch-list material order delays, and as-built drawings and Operation & Maintenance Manual completion. The District's staff has executed Field Work Order/Change Order Nos. 1 and 2, which are on file in the offices of the District and summarized as follows:

Field Work Order/Change Order No.	Amount
1. Contract Extension	\$0
2. Contract Extension	\$0
Total	\$0

Field Work Order/Change Order Nos. 1 and 2 results in a change to the completion date. 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 January 31, 2024. In accordance with the terms of the contract, the Contractor has provided a bond in lieu of retainage equal to 5% of the contract price.

The General Manager of the District concurs with staff's recommendations that the District accept the work performed by the Contractor and 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. 1 and 2 to Bid No. 22-12271 with McKinstry CO. for the work specified above, is hereby ratified.

Section 2. All the contract work required under Bid No. 22-12271 was completed on January 31, 2024, and the same is hereby accepted, subject to Section 2 hereof. Release of the Contractor's bond in lieu of retainage is authorized to be paid to the Contractor 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 file a claim against the bond in lieu of retainage in an amount equal to unpaid taxes and unpaid claims, together with a sum sufficient to defray the costs and attorney fees incurred in foreclosing the lien of such claims, and following payment of such claim, release the bond in lieu of retainage.

DATED this 20th day of May 2024.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AMENDMENT
NO. 1 TO SERVICES AGREEMENT (SA NO. 23-
12876) WITH PYTHIAN SERVICES USA INC. TO
PROVIDE IT CONSULTING AND MANAGED
SERVICES

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District entered into a Services Agreement (SA No. 23-12876) on December 28, 2023, with Pythian Services USA Inc. to provide IT Consulting and Managed Services, in an amount not to exceed \$475,000 for Oracle and SQL database support through 2025.

District staff has identified the need for additional services for the design, planning and implementation of a new Azure Virtual Data Center and cloud data backup improvements. Resolution No. 17-14215 requires that the Commission, by resolution, authorize Amendments to Service Agreements when the Amendment increases the total contract price to over \$500,000.

District staff recommends that it is in the best interest of the District to amend Services Agreement No. 23-12876 with Pythian Services USA Inc in the amount of \$600,000, for a total revised contract price not to exceed \$1,075,000.

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 Services Agreement (SA No. 23-12876) with Pythian Services USA Inc. to provide the additional services identified above. The revised contract price will not exceed \$1,075,000 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 20th day of May 2024.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AWARDING SPECIFIC LINES TO GENERAL PACIFIC, INC. OF FAIRVIEW OREGON, REJECTING BIDS, AND AUTHORIZING THE 2025 TRANSFORMER PURCHASE AND SUPPLY (BID NO. 23-13135) BE OBTAINED BY NEGOTIATION FOR THE REMAINING LINES

FACTUAL BACKGROUND AND REASONS FOR ACTION

On March 6, 2024, an invitation for sealed bids was published in accordance with RCW 54.04.070 and Resolution No. 17-14215 for the 2025 Transformer Purchase and Supply. Bid proposals were opened on April 23, 2024 in the offices of the District. Four bids were received (excluding sales tax) as tabulated on Attachment A.

The proposals were evaluated based on the evaluation criteria and formulas provided in the bid. The bid received by General Pacific, Inc. of Fairview Oregon for line items 17, 18, and 19 shown in Attachment A, is the lowest responsive and best bid in compliance with the plans and specifications for Bid No. 23-13135 and meets all statutory requirements. District staff recommends awarding Lines 17, 18, and 19 to General Pacific, Inc.

The remaining lines (1-16 and 20-32), all exceeded the engineers estimate, or were not bid. Resolution 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 responsive bids are received. District staff recommends that, due to time constraints and project requirements, the 2025 Transformer Purchase and Supply be procured by negotiation, rather than re-advertising for bids.

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

ACTION

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

Section 1. The bid submitted by General Pacific, Inc of Fairview, Oregon for Items 17, 18, and 19 is the lowest responsible and best bid in compliance with the plans and specifications. The General Manager of the District is hereby authorized to enter into a contract with General Pacific, Inc. in a not to exceed

amount of \$27,327 (\$8,622.00 + \$8,970.00 + \$9,735.00), excluding sales tax, and as may be escalated per Bid 23-13135. A copy of the contract will be on file in the offices of the District

Section 2. The bids, if any, received for Lines 1-16 and 20-32 are rejected. District staff is authorized to obtain these lines by negotiation and the General Manager (or his designee) is authorized to execute a contract for the same with acceptable terms and conditions.

Dated this 20th day of May 2024.

	_____ President
ATTEST:	
_____ Vice President	_____ Secretary
_____ Commissioner	_____ Commissioner
Seal	

Line	Item Number	Border States Lacey, WA	General Pacific Fairview, OR	Weg Transformers USA Washington, MO
		Bid Bond Provided	Bid Bond Provided	Bid Bond Provided
14	88802	\$1,845,400.00	-	-
15	88804	-	-	-
16	88805	-	-	-
17	88701	-	\$8,622.00	-
18	88814	-	\$8,970.00	-
19	88815	-	\$9,735.00	-
20	88816	\$278,300.00	\$237,400.00	-
21	88818	\$417,900.00	\$329,600.00	-
22	88820	-	\$118,080.00	-
23	88821	-	\$49,085.00	-
24	88824	\$39,744.00	\$27,732.00	-
25	88826	\$57,768.00	\$39,672.00	-
26	88828	-	\$49,617.00	-
27	88829	-	\$50,262.00	-
28	89266	-	\$42,282.00	-
29	89267	-	\$58,788.00	-
30	89268	-	\$28,998.00	-
31	89269	-	\$34,578.00	-
32	89270	-	\$29,841.00	-