

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

REGULAR COMMISSION MEETING

JUNE 14, 2021

Public participation will be by phone only

Dial: 253-999-5697

Meeting ID: 614-642-34#

****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 – Tiffanie Davis
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. Quarterly Fish and Wildlife Update
5. 2021 – 2022 Insurance Program Renewal Update
Proposed motion: To authorize expenditures by the District not to exceed \$4,275,000 plus surplus lines taxes and fees, for the purchase of District insurance for July 1, 2021-2022 policies upon terms and conditions approved by the General Manager.
6. Fire Safety Outage Management Update
7. Rock Island Powerhouse 2 Project Update

BUSINESS SESSION

1:00 PM

Consent Agenda

8. Minutes of the June 1, 2021 Regular Meeting

REGULAR COMMISSION MEETING AGENDA

June 14, 2021

Page 2

9. Vouchers: Accounts Payable Summary Report dated June 9, 2021:

- a. Vouchers totaling \$12,878,716.76;
- b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period May 26, 2021 through June 8, 2021 in the amount of \$20,796.14.
- c. Approval of the net Payroll, Warrant Nos. 237496 through 237507 and Advice Nos. 715060 through 715860 for the pay period ending May 23, 2021 in the amount of \$2,201,835.66.
- d. Approval of Warrant Nos. 27585 through 27630 totaling \$56,490.03 for claim payments from the workers' compensation self-insurance fund for the period ending June 7, 2021.
- e. Approval of Parks Reservation System customer refunds for the period May 20, 2021 through June 3, 2021 in the amount of \$1,736.01.

10. A RESOLUTION RATIFYING FIELD WORK ORDER NO. 1 AND AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER CONTRACT NO. 19-63 WITH CROWN TECHNICAL SYSTEMS OF CALIFORNIA

Regular Agenda

11. A RESOLUTION DECLARING TOTAL RESOURCE MANAGEMENT, INC. OF ALEXANDRIA, VA AS THE SOLE SOURCE SUPPLIER OF TOTAL RESOURCE MANAGEMENT MAXIMO PRIME SUBSCRIPTION FOR AN INTEGRATED SOLUTION OF RULESMANAGER SE, AND ANNUAL SUPPORT AND MAINTENANCE OF THE MAXIMO SOFTWARE SUITE

12. A RESOLUTION AUTHORIZING AN AMENDMENT TO SERVICES AGREEMENT (SA-TA NO. 16-104) WITH BQS - BRAZIL QUALITY SERVICES LTDA TO PROVIDE INSPECTION SERVICES

13. Manager Items

14. Commission Items

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

16. Delegation of Action Items

17. Additional Public Comment

REGULAR COMMISSION MEETING AGENDA

June 14, 2021

Page 3

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.

18. Matters of general business as may necessarily come before the Commission
19. Executive Session: To discuss with legal counsel agency enforcement actions, litigation, potential litigation to which the District or its board is, or is likely to become, a party, and/or legal risks, as authorized by RCW 42.30.110(1)(i), to evaluate the qualifications of an applicant for public employment 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 RATIFYING FIELD WORK
ORDER NO. 1 AND AUTHORIZING FINAL
ACCEPTANCE OF WORK PERFORMED UNDER
CONTRACT NO. 19-63 WITH CROWN TECHNICAL
SYSTEMS OF CALIFORNIA

FACTUAL BACKGROUND AND REASONS FOR ACTION

Public Utility District No. 1 of Chelan County (District) adopted Resolution No. 20-14456 on May 11, 2020 which authorized the District to enter into a contract (Contract No. 19-63) with Crown Technical Systems (Contractor) of Fontana, CA for 15kV Arc Resistant Metalclad Substation Switchgear, in the amount of \$1,486,793.48.

The District Commission by Resolution No. 17-14215 delegated limited authority to the General Manager and the staff to execute field work orders under certain circumstances.

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. Changes to Switchgear #2 Specifications	(\$12,413.00)
Total	(\$12,413.00)

Field Work Order No. 1 results in a net decrease in the contract price of \$12,413.00 for a new revised total price of \$1,474,380.48 (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 May 20, 2021.

The General Manager of the District concurs with staff's recommendations that the District accept the work performed by the Contractor and ratify Field Work Order No. 1.

ACTION

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

Section 1. Field Work Order No. 1 to Contract No. 19-63 with Crown Technical Systems for the work specified above, which will result in a net decrease in the contract price of \$12,413.00, for a total revised contract price of \$1,474,380.48, plus Washington State sales tax, is hereby ratified.

Section 2. All the contract work required under Contract No. 19-63 was completed on May 20, 2021 and the same is hereby accepted.

DATED this 14th day of June 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION DECLARING TOTAL RESOURCE MANAGEMENT, INC. OF ALEXANDRIA, VA AS THE SOLE SOURCE SUPPLIER OF TOTAL RESOURCE MANAGEMENT MAXIMO PRIME SUBSCRIPTION FOR AN INTEGRATED SOLUTION OF RULESMANAGER SE, AND ANNUAL SUPPORT AND MAINTENANCE OF THE MAXIMO SOFTWARE SUITE

FACTUAL BACKGROUND AND REASONS FOR ACTION

The IBM Maximo software suite serves as the asset, maintenance, work order and inventory management computer system used by all operating areas of the District.

In 2020, District staff identified significant savings and value by subscribing to the Maximo Prime support solution offered by Total Resource Management. This is the only support solution that bundles IBM Maximo support and maintenance with TRM RulesManager software (a software that extends the functionality of Maximo). The District can only purchase TRM Maximo Prime with the bundled TRM RulesManager from Total Resource Management, and they have certified the District is getting the lowest price available.

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.

Resolution 20-14467 dated July 6, 2020, authorized a purchase contract with Total Resource Management for the purchase of an integrated solution of RulesManager SE, and annual support and maintenance for the Maximo software suite at a cost not to exceed \$207,763.10. The District has identified the need to continue this valuable integrated solution and is planning another three years' subscription and cost increases to cover additional licenses as may be required by the District over that time.

District staff has determined that it would be in the best interest of the District to designate Total Resource Management, Inc. as the sole source supplier for an integrated solution of RulesManager SE, and annual support and maintenance of the Maximo software suite (including cost increases to cover additional licenses) for three annual renewal periods beginning on July 22, 2021, in the amount of \$833,366.79, for a total revised not to exceed amount of \$1,041,129.89. 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 Total Resource Management, Inc. to be the sole source supplier for an integrated solution of RulesManager SE, and annual support and maintenance for the Maximo software suite.

Section 2. The competitive bidding requirements of RCW 54.04.070 are hereby waived due to the designation of Total Resource Management, Inc. as the sole source supplier for an integrated solution of RulesManager SE, and annual support and maintenance for the Maximo software suite.

Section 3. The General Manager or his designee is authorized to enter into a purchase contract with Total Resource Management, Inc. for the purchase of an integrated solution of RulesManager SE, and annual support and maintenance for the Maximo software suite (including cost increases to cover additional licenses) at a cost not to exceed \$1,041,129.89 without prior Commission approval. A copy of the contract will be on file in the offices of the District.

Dated this 14th day of June 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AN
AMENDMENT TO SERVICES AGREEMENT (SA-
TA NO. 16-104) WITH BQS - BRAZIL QUALITY
SERVICES LTDA TO PROVIDE INSPECTION
SERVICES

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District entered into Services Agreement SA-TA 16-104 on August 8, 2016 with BQS – Brazil Quality Services Ltda (“BQS”) to provide inspection services, in an amount not to exceed \$190,000. Resolution 16-14103 approved additional funds in the amount of \$1,330,000. The contract has a not-to-exceed amount of \$1,520,000.

District staff has identified the need for additional inspection services for District projects through 2023 in an estimated amount of \$500,000 including items such as Rock Island Powerhouse 2 generator stator bars, generator stator core laminations, turbine runner hub, turbine wicket gates, and turbine discharge ring.

Resolution No. 17-14215 requires that the Commission, by resolution, authorize Service Agreements and Amendments when the total contract price exceeds \$200,000. District staff recommends that it is in the best interest of the District to amend SA-TA 16-104 with BQS to increase the not to exceed amount by \$500,000 for a total revised contract price not to exceed \$2,020,000.

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-TA 16-104 with BQS to provide the additional services identified above. The revised contract price will not exceed \$2,020,000 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 14th day of June 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal