

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

REGULAR COMMISSION MEETING

JULY 15, 2024

STUDY SESSION

10:00 AM

1. Pledge of Allegiance and Safety/H&OP Minute – Kassie Bertilson
2. Approval of the Agenda
3. Customer Satisfaction Survey Results
4. Large Load Approach
5. Climate Commitment Act Load and Supply Forecast Adjustment
Proposed motion: To adopt, for purposes of the Climate Commitment Act, a supply forecast for renewables and non-emitting resources of 2,003,010 megawatt-hours in 2025 and 2,084,782 megawatt-hours in 2026 and a demand forecast of 2,503,762 megawatt-hours in 2025 and 2,605,977 megawatt-hours in 2026
6. Strategic Vision, Business, and Budget Planning
7. Quarterly Board Balanced Scorecard Status Update
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 July 1, 2024 Regular Meeting and July 2, 2024 Special Meeting
10. Vouchers: Accounts Payable Summary Report dated July 09, 2024:
 - a. Vouchers totaling \$7,923,881.91;

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- b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period June 25, 2024 through July 08, 2024 in the amount of \$44,313.86.
 - c. Approval of the net Payroll, Warrant Nos. 238506 through 238520 and Advice Nos. 780695 through 781535 for the pay period ending June 30, 2024 in the amount of \$2,670,124.89.
 - d. Approval of Warrant Nos. 31651 through 31716 totaling \$20,655.06 for claim payments from the workers' compensation self-insurance fund for the period ending July 08, 2024.
 - e. Approval of Parks Reservation System customer refunds for the period June 11, 2024 through July 08, 2024 in the amount of \$1,960.00.
11. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1-18 AND AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 18-81 WITH REEL COH INC. OF BOISBRIAND, QUEBEC, CANADA FOR THE ROCK ISLAND POWERHOUSE 2 BRIDGE CRANE REFURBISHMENT

Regular Agenda

12. A RESOLUTION APPROVING FIELD WORK ORDER NO. 1 TO EXERCISE THE OPTION TO PURCHASE ADDITIONAL TRASH RACKS UNDER ROCKY REACH TRASH RACK AND EXCLUSION GATE MANUFACTURING CONTRACT (BID NO. 24-13434) WITH NORTHWEST STEEL FABRICATION, INC. OF DEER PARK, WASHINGTON
13. A RESOLUTION DECLARING HD HYUNDAI POWER TRANSFORMERS USA, INC OF MONTGOMERY, ALABAMA AS THE SOLE SOURCE SUPPLIER OF TRANSFORMER REPAIRS FOR ROCKY REACH (CONTRACT NO. 24-13780)
14. Confluence Parkway Update and Proposed Capital Project and Budget
Proposed motion: To establish a new capital project and associated budget for Confluence Parkway South Relocate Utilities in the amount of \$4,602,000
15. Manager Items
16. Commission Items
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) and to review the performance of a public employee, as authorized by RCW 42.30.110(1)(g) for ___ minutes

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

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1-18 AND AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 18-81 WITH REEL COH INC. OF BOISBRIAND, QUEBEC, CANADA FOR THE ROCK ISLAND POWERHOUSE 2 BRIDGE CRANE REFURBISHMENT

FACTUAL BACKGROUND AND REASONS FOR ACTION

Public Utility District No. 1 of Chelan County (District) adopted Resolution No. 19-14392 on October 21, 2019, which authorized the District to enter into a contract (Bid No. 18-81) with REEL COH Inc. (Contractor) of Boisbriand, Quebec, Canada for Rock Island Powerhouse 2 Bridge and Gantry Cranes Refurbishment, in the amount of \$16,219,570.

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

The work in Field Work Order/Change Order Nos. 1-18 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. 1-18, which are on file in the offices of the District and summarized as follows:

Field Work Order/Change Order No.	Description	Amount
1	Revision to Contract Time and Liquidated Damages	\$0.00
2	Scope revision regarding auxiliary hoist modifications and change to Contract Price	\$59,221.44
3	Scope revision regarding bridge and gantry crane motors and change to Contract Price	-\$10,293.62
4	Scope revision regarding worker rescue stations and platforms and change to Contract Price	\$122,761.00
5	Revision to Contract Time	\$0.00
6	Revision to Contract Time	\$0.00
7	Revision to scope regarding District operational requirements, Contract Price, and Contract Time	\$77,892.00

8	Revision to Contract Time	\$0.00
9	Revision to Contract Time	\$0.00
10	Revision to Contract Time	\$0.00
11	Revision to Contract Time	\$0.00
12	Revision to scope regarding crane certification, Contract Price, and Contract Time	\$8,506.00
13	Revision to Contract Time	\$0.00
14	Revision to Contract Time	\$0.00
15	Revision to scope regarding new auxiliary hooks, Contract Price, and Contract Time	\$180,753.00
16	Revision to Contract Time	\$0.00
17	Revision to Contract Time	\$0.00
18	Revision to Contract Time	\$0.00
Total		\$438,839.82

Field Work Order/Change Order Nos. 1-18 results in a net increase of \$438,839.82 in the contract price for a new revised total price of \$16,658,409.82 (excluding sales tax), which the District's Engineers recommend be ratified. Resolution No 17-14215 provides that this type of field work order/change 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 June 27, 2024.

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/Change Order Nos. 1-18.

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. 1-18 to Bid No. 18-81 with REEL COH Inc. for the work specified above, which will result in a net increase in the purchase price of \$438,839.82, for a total revised contract price of \$16,658,409.82, plus Washington State sales tax, is hereby ratified.

Section 2. All the contract work required under Bid No. 18-81 was completed on June 27, 2024, and the same is hereby accepted.

DATED this 15th day of July 2024.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION APPROVING FIELD WORK ORDER NO. 1 TO EXERCISE THE OPTION TO PURCHASE ADDITIONAL TRASH RACKS UNDER ROCKY REACH TRASH RACK AND EXCLUSION GATE MANUFACTURING CONTRACT (BID NO. 24-13434) WITH NORTHWEST STEEL FABRICATION, INC. OF DEER PARK, WASHINGTON

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 June 3, 2024, the District entered into a contract (Bid No. 24-13434) with Northwest Steel Fabrication, Inc. of Deer Park, Washington for the Rocky Reach Trash Rack and Exclusion Gate Manufacturing in the amount of \$2,161,400.00 which covers the initial order for 12 (twelve) Trash Racks and 6 (six) Attraction Water Trash Rack/ Exclusion Gates. This contract was advertised for public bid and was awarded as required by RCW 54.04.070 and .080. The Contractor's bid was the low bid and met the District's specifications.

This Field Work Order exercises the option provided in the bid packet for purchase of 12 (twelve) additional Trash Racks (one set) in the amount of \$1,375,166.00. It also provides a reduction of \$60,000.00 per each Trash Rack set applicable to both initial order and the option (\$120,000.00 in total) due to Value Engineering modifications. The District's staff recommends execution of Field Work Order No. 1 to cover the option and engineering changes for an amount of \$1,255,166.00, excluding sales tax, for a total revised contract price not to exceed \$3,416,566.00 (excluding sales tax).

The General Manager of the District concurs with staff's recommendations that Field Work Order No. 1 be approved.

ACTION

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

Section 1. The General Manager of the District is hereby authorized to execute Field Work Order No. 1. A copy of this Field Work Order shall be on file in the offices of the District.

DATED this 15th day of July 2024.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION DECLARING HD HYUNDAI POWER TRANSFORMERS USA, INC OF MONTGOMERY, ALABAMA AS THE SOLE SOURCE SUPPLIER OF TRANSFORMER REPAIRS FOR ROCKY REACH (CONTRACT NO. 24-13780)

FACTUAL BACKGROUND AND REASONS FOR ACTION

The C3 generator step-up (GSU) transformer at Rocky Reach Dam needs repairs to be performed for the connection between the internal winding and the low voltage bus bar. Combustible gas readings on other Rocky Reach GSU units are indicating that similar repairs are going to be needed for the other GSU units. HD Hyundai Power Transformers USA, Inc. (Hyundai) was the designer and manufacturer of the GSU units and is the only vendor with the drawings and specific knowledge required to now repair the GSU units.

Hyundai has provided certification that they are the sole source supplier of the Hyundai brand transformer repairs necessary for Rocky Reach GSU transformers and that the District is receiving the lowest price available for said repairs.

Pursuant to RCW 54.04.070 and 39.04.280, the District may, when there is clearly and legitimately a sole source of repair and supply, waive the statutory competitive bidding requirements. Resolution No. 17-14215 requires that a declaration for sole source purchases over the statutory limits must come before the Commission for action.

District staff has determined that it is in the best interest of the District to designate Hyundai as the sole source repair supplier for Hyundai brand transformer repairs, and to enter into a contract with Hyundai in an amount not to exceed \$750,000.00 (excluding taxes). Staff also recommend that the competitive bidding requirements of RCW 54.04.070 be waived.

The General Manager has reviewed staff's recommendations and concurs with 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 Hyundai to be the sole source repair supplier for Hyundai brand transformer repairs at Rocky Reach.

Section 2. In accordance with RCW 39.04.280 the competitive bidding requirements of RCW 54.04.070 are hereby waived, due to the designation of Hyundai as the sole source repair supplier for Hyundai brand transformer repairs at Rocky Reach.

Section 3. The General Manager or his designee is authorized to enter into a contract with Hyundai for the Hyundai brand transformer repairs, at a cost not to exceed \$750,000.00 (excluding WA State sales tax) without prior Commission approval. A copy of the contract will be on file in the offices of the District.

Dated this 15th day of July 2024.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal