

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

**REGULAR COMMISSION MEETING**

**AUGUST 17, 2020**

Public participation will be by phone only

Dial: 509-661-8872

Conference ID: 9104561#

**\*\*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 HPI Minute – Peter Vanney
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 Energy Resources Update
5. Rocky Reach Facilities Update
6. Fiber Acceleration Update

**BUSINESS SESSION**

**1:00 PM**

**Consent Agenda**

7. Minutes of the August 3, 2020 Regular Meeting and August 11, 2020 Tri-Commission Meeting
8. Vouchers: Accounts Payable Summary Report dated August 12, 2020:
  - a. Vouchers totaling \$8,943,872.38;

REGULAR COMMISSION MEETING AGENDA

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- b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period July 29, 2020 through August 11, 2020 in the amount of \$19,266.80;
  - c. Approval of the net Payroll, Warrant Nos. 237134 through 237150 and Advice Nos. 698767 through 699555 for the pay period ending 08/02/2020 in the amount of \$2,109,333.27;
  - d. Approval of Warrant Nos. 26799 through 26832 totaling \$11,361.37 for claim payments from the workers' compensation self-insurance fund for the period ending August 10, 2020.
9. A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF PERFORMANCE UNDER BID NO. 19-68 WITH SE INC. DBA SMITH EXCAVATION OF CASHMERE, WA AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

**Regular Agenda**

10. A RESOLUTION APPROVING A SECOND AMENDMENT TO WATER CONTRACT – REGIONAL WATER SYSTEM
11. Manager Items
12. Commission Items
13. Follow-up on Delegation of Action Items from Previous Board Meeting
14. Delegation of Action Items
15. 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.*
16. Matters of general business as may necessarily come before the Commission
17. 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 consider information regarding the infrastructure and security of computer and telecommunications networks, security and service recovery plans, security risk assessments and security test results to the extent that they identify specific system vulnerabilities pursuant to RCW 42.30.110(1)(a)(ii)

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. 19-68 WITH SE INC. DBA SMITH EXCAVATION OF CASHMERE, 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 September 23, 2019 the District entered into a contract (Bid No. 19-68) with SE Inc. dba Smith Excavation (Contractor) of Cashmere, WA for 2019 Water Meter Installations, in the amount of \$639,000. 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 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, which are on file in the offices of the District and summarized as follows:

<b>Field Work Order No.</b>	<b>Amount</b>
1. Change to Scope of Work	\$3,197.77
2. Change to Scope of Work and Contract Time	\$7,702.22
<b>Total</b>	<b>\$10,899.99</b>

Field Work Order Nos. 1 & 2 results in a net increase in the contract price for a new revised total price of \$649,899.99 (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 August 4, 2020. 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 & 2 to Bid No. 19-68 with SE Inc. dba Smith Excavation for the work specified above, which will result in a net increase in the purchase price of \$10,899.99, for a total revised contract price of \$649,899.99, plus Washington State sales tax, is hereby ratified.

Section 2. All the contract work required under Bid No. 19-68 was completed on August 4, 2020, 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 17th day of August 2020.

\_\_\_\_\_  
President

ATTEST:

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

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

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

A RESOLUTION APPROVING A SECOND  
AMENDMENT TO WATER CONTRACT – REGIONAL  
WATER SYSTEM

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

The District entered into a Water Contract – Regional Water System (“Contract”) with the City of Wenatchee and the East Wenatchee Water District (“Party(s)”) effective January 1, 1999, which was subsequently amended pursuant to a First Amendment to Water Contract – Regional Water System on June 23, 2008.

In October 2019, the East Wenatchee Water District (“EWWD”) received a request to expand the Regional Water System Supply Area as defined in Section 1(o) of the Contract and depicted on Exhibit “A” to the Contract (“Service Area”). The Commissioners for the East Wenatchee Water District supports the request and forwarded the request to the Regional Coordinating Committee. The request would expand the Service Area as set forth on attached Exhibit “1”, which is incorporated herein. The Service Area has not been modified since 1998 and a portion of the property identified in the expansion is located within an area designated as future service area for the East Wenatchee Water District, and a portion of the property falls outside of the EWWD and Regional future service areas.

The Coordinating Committee for the Regional Water System met and reviewed the request in December 2019 and forwarded the request with favorable recommendation to members of the Regional Water System. In January 2020, EWWD formally approved the request to expand the boundaries of the Service Area consistent with Exhibit “1”. Section 13 of the Contract allows for amendment of the Contract only by unanimous written agreement of the Parties.

District staff recommends that is in the best interest of the District to approve the Second Amendment to Water Contract – Regional Water System to expand the Service Area consistent with Exhibit “1”.

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. The General Manager is hereby authorized to execute the Second Amendment to Water Contract – Regional Water System to expand the Service Area consistent with Exhibit “1”.

Dated this 17th day of August, 2020.

\_\_\_\_\_  
President

ATTEST:

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

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

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Commissioner

Seal

