

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

**REGULAR COMMISSION MEETING**

**OCTOBER 4, 2021**

Public participation will be by phone only

Dial: 253-999-5697

Meeting ID: 340-623-436#

**\*\*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**

1. Pledge of Allegiance and Safety/HPI Minute – Josh Mandoli
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. Draft 5-Year Business Plans

**BUSINESS SESSION**

**1:00 PM**

**Consent Agenda**

4. Minutes of the September 20, 2021 Regular Meeting and the September 30, 2021 Special Meeting
5. Vouchers: Accounts Payable Summary Report dated September 29, 2021:
  - a. Vouchers totaling \$15,691,477.08;
  - b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period September 15, 2021 through September 28, 2021 in the amount of \$30,750.21.
  - c. Approval of the net Payroll, Warrant Nos. 237598 through 237612 and Advice Nos. 721516 through 722318 for the pay period ending September 12, 2021 in the amount of \$2,235,822.45.

- d. Approval of Warrant Nos. 27922 through 27975 totaling \$9,987.57 for claim payments from the workers' compensation self-insurance fund for the period ending September 27, 2021.
  - e. Approval of Parks Reservation System customer refunds for the period September 8, 2021 through September 28, 2021 in the amount of \$295.02.
  - f. Approval of debt service paid with reserve account interest earnings of \$770.10 for the period October 1, 2021 through October 31, 2021.
6. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NO. 1-3, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 17-78 WITH KEMP WEST, INC. OF SNOHOMISH WASHINGTON AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

**Regular Agenda**

7. Make Ready Budget Revision  
Proposed motion: To increase the 2021 project budget for Distribution system fiber build-out make ready work (DSXX0024) by \$130,000 for a revised total 2021 project budget of \$1.78 million and to decrease other Distribution project budgets for 2021 by the same amount enabling a shift in spending between capital projects with no change to the overall 2021 Distribution capital budget.
8. Manager Items
9. Commission Travel
10. Commission Items
  - a. 2022 Board Meeting Schedule  
Proposed motion: To approve the modified regular Board meeting schedule for calendar year 2022 as proposed to accommodate holidays and industry meetings moving the following meetings:
    - January 3, 2022 to January 10, 2022
    - January 17, 2022 to January 24, 2022
    - June 6, 2022 to May 31, 2022
    - June 20, 2022 to June 13, 2022All meetings to be held in the headquarters board room, 327 North Wenatchee Ave., Wenatchee, WA and all to commence at 10:00 am unless further modified by future Board action

REGULAR COMMISSION MEETING AGENDA

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

12. Delegation of Action Items

13. 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.*

14. Matters of general business as may necessarily come before the Commission

15. 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)

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

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

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NO. 1-3, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 17-78 WITH KEMP WEST, INC. OF SNOHOMISH 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 January 12, 2018, the District entered into a contract (Bid No. 17-78) with Kemp West, Inc. (Contractor) of Snohomish Washington for District Tree Trimming, in the amount of \$3,000,000. 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/Change Order No. 1-3 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 No. 1-3, which are on file in the offices of the District and summarized as follows:

Field Work Order No.	Description	Amount
1	Increase in rates	\$0.00
2	Extended term and adding funds	\$1,500,000.00
3	Increased contract amount	\$800,000.00
Total		\$2,300,000.00

Field Work Order/Change Order Nos. 1-3 resulted in a net increase in the contract price of \$2,300,000 for a new revised total price of \$5,300,000 (excluding sales tax), and have already been ratified by the Commission.

On November 4, 2019 by Resolution 19-14395, the District Commission approved Field Work Order/Change Order 1 and 2 for Bid 17-78.

On September 8, 2020 by Resolution 20-14480, the District Commission approved Field Work Order/Change Order 3 to Bid 17-78.

District staff has determined that the completion of all contract work occurred on August 31, 2021. 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 No. 1-3 to Bid No. 17-78 with Kemp West, Inc. for the work specified above, which resulted in a net increase in the purchase price of \$2,300,000, for a total revised contract price of \$5,300,000, plus Washington State sales tax, is hereby ratified.

Section 2. All the contract work required under Bid No. 17-78 was completed on August 31, 2021 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 4th day of October 2021.

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President

ATTEST:

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Vice President

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Secretary

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Commissioner

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Commissioner

Seal