

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

REGULAR COMMISSION MEETING

NOVEMBER 6, 2023

STUDY SESSION

10:00 AM

1. Pledge of Allegiance and Safety/HPI Minute – Don Wheeler
2. Approval of the Agenda
3. Quarterly District Performance Plan Update
4. Quarterly Financial Review and Investment Report
5. Quarterly Energy Resources Update
6. Fees and Charges Update
7. Fiber Rates Review and Updates
8. Fiber Expansion
9. Public Comment
Time reserved for public comments or questions related to matters not covered by the agenda

BUSINESS SESSION

1:00 PM

10. Public Hearing – Surplus Property
11. Public Hearing – 2024 Preliminary Budget Presentation

Consent Agenda

12. Minutes of the October 16, 2023 Regular Meeting
13. Vouchers: Accounts Payable Summary Report dated October 31, 2023:
 - a. Vouchers totaling \$25,232,257.99;

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- b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period October 10, 2023 through October 30, 2023 in the amount of \$136,618.13;
 - c. Approval of the net Payroll, Warrant Nos. 238289 through 238297 and Advice Nos. 764985 through 765831 for the pay period ending October 08, 2023 in the amount of \$2,667,422.62;
 - d. Approval of the net Payroll, Warrant Nos. 238298 through 238309 and Advice Nos. 765832 through 766661 for the pay period ending October 22, 2023 in the amount of \$2,689,524.46;
 - e. Approval of Warrant Nos. 30184 through 30248 totaling \$8,686.78 for claim payments from the workers' compensation self-insurance fund for the period ending October 30, 2023;
 - f. Approval of Parks Reservation System customer refunds for the period October 10, 2023 through October 30, 2023 in the amount of \$315.00.
14. A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1-4, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 19-29 WITH GE RENEWABLES US LLC OF LITTLETON, COLORADO AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE
15. A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER CONTRACT NO. 22-12459 WITH COBRA STRUCTURES USA LTD OF SAINT JOSEPH, MINNESOTA AND AUTHORIZING PAYMENT OF RETAINAGE

Regular Agenda

16. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 4, 6-GMP2, 1-GMP3, 3-GMP1, AND 4-GMP1, AND AUTHORIZING THE EXECUTION OF FIELD WORK ORDER/CHANGE ORDER NO. 7-GMP2 TO CONTRACT NO. 18-10 WITH GE RENEWABLES US LLC OF GREENWOOD VILLAGE, CO FOR THE ROCK ISLAND DAM POWERHOUSE NO. 2 – GENERATING UNIT REHABILITATION PROJECT
17. A RESOLUTION APPROVING FIELD WORK ORDER NO. 9 FOR CONTRACT NO. 18-67 WITH WEG TRANSFORMERS, USA LLC OF WASHINGTON, MO FOR 28 MVA, 115/12.47 KV SUBSTATION POWER TRANSFORMERS AND FURTHER AUTHORIZING BUDGET FOR THE SUBSTATION TRANSFORMER ACQUISITION PROJECT
18. A RESOLUTION AUTHORIZING AMENDMENT NO. 3 TO SERVICES AGREEMENT (SA NO. 22-12502) WITH RGEN INC. TO PROVIDE SHAREPOINT SITE CONSULTING SERVICES

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19. A RESOLUTION REJECTING ALL BIDS AND DECLARING THAT NO BIDS WERE RECEIVED FOR THE ROCK ISLAND POWERHOUSE 2 HVAC UPGRADE (BID NO. 22-12558) AND AUTHORIZING THE ROCK ISLAND POWERHOUSE 2 HVAC UPGRADE BE OBTAINED BY NEGOTIATION
20. A RESOLUTION APPROVING BID ADVERTISEMENT, AWARD AND CONTRACT SIGNATURE FOR WENATCHEE RIVERFRONT PARK PHASE 1 IMPROVEMENTS (BID NO. 23-13033)
21. A RESOLUTION DECLARING CERTAIN PORTIONS OF THE DISTRICT'S PROPERTY AT THE FIFTH STREET CAMPUS SURPLUS TO DISTRICT NEEDS
22. A RESOLUTION AUTHORIZING THE GENERAL MANAGER OF THE DISTRICT TO EXECUTE A SERVICES AGREEMENT (SA NO. 23-13176) WITH ELECTRICAL CONSULTANTS, INC. OF MONTANA FOR COMMISSIONING OF JUMPOFF RIDGE SUBSTATION
23. A RESOLUTION ESTABLISHING THE DISTRICT'S 10-YEAR CONSERVATION POTENTIAL PLAN AND TWO-YEAR CONSERVATION TARGET FOR 2024-2025 AS REQUIRED UNDER RCW CHAPTER 19.285
24. Rock Island System Budget Revision –
Proposed motion: To increase the overall 2023 Rock Island System capital budget in the amount of \$16,381,914 for a revised total amount of \$80,000,000.
25. Manager Items
26. Commissioner Travel –
27. Commission Items
 - a. Tri-Commission Meeting
Proposed motion: To set a special meeting on Tuesday, December 12, 2023 @ 1:00pm at the Confluence Technology Center, 285 Technology Center Way, Wenatchee, for the purpose of holding a Tri-Commission meeting
28. Follow-up on Delegation of Action Items from Previous Board Meeting
29. Delegation of Action Items
30. Additional Public Comment
31. Matters of general business as may necessarily come before the Commission

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32. 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 consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause the likelihood of decreased price, as authorized by RCW 42.30.110(1)(c) and to consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price, as authorized by RCW 42.30.110(1)(b) for ___ minutes

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

RESOLUTION NOS. _____

A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1-4, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 19-29 WITH GE RENEWABLES US LLC OF LITTLETON, COLORADO AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

FACTUAL BACKGROUND AND REASONS FOR ACTION

The 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. Bids were received in accordance with RCW 54.04.070 and there was one bid in which the bidder took exception to the District's terms and conditions.

On February 16, 2021, by Resolution 21-14531, the Commission of the District determined the one bid received to be non-responsive and authorized staff to procure the Rocky Reach Small Unit Wicket Gates by negotiation pursuant to RCW 54.04.080. Subsequently, a negotiated contract was executed on May 17, 2021 with GE Renewables US LLC (Contractor) of Littleton, Colorado in the amount of \$946,172.06.

The work in Field Work Order Nos. 1-4 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. 1-4, which are on file in the offices of the District and summarized as follows:

Field Work Order Nos.	Amount
1. Conditional Delivery Extension	\$0
2. Conditional Delivery Extension 2	\$0
3. Conditional Delivery Extension 3	\$0
4. Port Strike Delay Delivery Time Extension	\$0
Total	\$0

Field Work Order Nos. 1-4 did not change the contract price of \$946,172.06 (excluding sales tax) and District staff recommends they be ratified. Resolution Nos. 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 October 4, 2023. 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, ratify Field Work Order Nos. 1-4 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 NOS. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. Field Work Order Nos. 1-4 to Bid Nos. 19-29 with GE Renewables US LLC for the work specified above did not change the contract price of \$946,172.06, plus Washington State sales tax, are hereby ratified.

Section 2. All the contract work required under Bid Nos. 19-29 was completed on October 4, 2023 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 6th day of November 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER CONTRACT NO. 22-12459 WITH COBRA STRUCTURES USA LTD OF SAINT JOSEPH, MINNESOTA AND AUTHORIZING PAYMENT 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 orders/change orders under certain circumstances.

On October 31, 2022, the District entered into Contract No. 22-12459 with Cobra Structures USA LTD (Contractor) of Saint Joseph, Minnesota, for the supply and installation of a temporary fabric building at Rock Island Dam in the amount of \$255,485.13, excluding sales tax.

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 October 10, 2023. In accordance with the terms of the contract, retainage in an amount not exceeding 5% of the contract price has been withheld from the Contractor.

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 payment of retainage due the Contractor, 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. All the contract work required under Contract No. 22-12459 was completed on October 10, 2023, and the same is hereby accepted, subject to Section 2 hereof. Payment of retainage to the Contractor in the amount determined by the District's auditor to be due is authorized to be paid to the Contractor subject to Section 2 and Section 3 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 2. 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 3. 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 withhold from the remaining retained amounts for claims the District may have against the Contractor, and the balance shall be paid to the Contractor. In the event said taxes, claims, expenses and fees have not been paid, the General Manager is authorized and directed to withhold 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 the balance shall be paid to the Contractor.

DATED this 6th day of November 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 4, 6-GMP2, 1-GMP3, 3-GMP1, AND 4-GMP1, AND AUTHORIZING THE EXECUTION OF FIELD WORK ORDER/CHANGE ORDER NO. 7-GMP2 TO CONTRACT NO. 18-10 WITH GE RENEWABLES US LLC OF GREENWOOD VILLAGE, CO FOR THE ROCK ISLAND DAM POWERHOUSE NO. 2 – GENERATING UNIT REHABILITATION PROJECT

FACTUAL BACKGROUND AND REASONS FOR ACTION

On October 1, 2018, by Resolution No. 18-14273, the Commission of the District authorized the General Manager to invite sealed proposals to provide Design-Build services to the District in support of planned rehabilitation to Rock Island Dam Powerhouse No. 2 – Generating Units. Rehabilitation includes refurbishment of most major components, replacement of some due to known poor condition and limited remaining life, and procurement of some new components to mitigate schedule impacts from finding unrepairable items during the construction outage. The rehabilitation work on the first unit began in 2023, and the rehabilitation on the last unit is scheduled to be complete in 2031.

Previously Approved Guaranteed Maximum Price (GMP) Amendments and Field Work Orders

On July 20, 2020, by Resolution No. 20-14473, the Commission of the District Authorized the General Manager to enter into a Design-Build contract No. 18-10 with GE Renewables US LLC (GE). In addition to the general terms and conditions, the Contract authorized \$4,500,000.00 for pre-construction services.

On March 1, 2021, by Resolution 21-14537, the Commission of the District authorized the General Manager to enter into a Field Work Order/Change Order No. 3 to extend the pre-construction completion date to May 31, 2021 and add \$1,000,000.00 to the current not to exceed amount. The new not to exceed amount is \$5,500,000.00.

On May 3, 2021, by Resolution 21-14562, the Commission of the District authorized the General Manager to enter into a Field Work Order/Change Order No. 2 to provide for an Extended Correction Period to be added to the Rock Island Dam Powerhouse No. 2 – Generating Unit Rehabilitation Project for a not to exceed amount of \$19,743,066.00. The new not to exceed amount is \$25,243,066.00.

On May 3, 2021, by Resolution 21-14563, the Commission of the District authorized the General Manager to enter into a GMP Amendment No. 1 to provide for

the long lead components to be ordered for the first unit for a not to exceed amount of \$12,162,792.14. The new not to exceed amount is \$37,405,858.14.

On July 6, 2021, by Resolution 21-14574, the Commission of the District ratified Field Work Order/Change Order Nos. 1, 4- Pre-Construction and 5- Pre-Construction, authorized the General Manager to enter into a GMP Amendment No. 2 for an amount of \$66,874,395.56 to provide for the first unit (U5) rehabilitation, and approved the revised combined 2021 capital budget for all Rock Island Powerhouse No. 2 – Generating Rehabilitation projects. The new overall not to exceed contract amount is \$104,280,253.70.

On February 22, 2022, by Resolution 22-14632, the Commission of the District ratified Field Work Order/Change Order No. 1-ECP, 3, 1-GMPA1 and 6-Pre-Construction for a reduction of \$1,306,300.69 from the overall contract amount, authorized the General Manager to execute Field Work Order/Change Order No. 1-GMP2 for updating the work scope under GMP Amendment No. 2 - First Unit (U5) with GE for an amount of \$1,032,059.80 for a revised not to exceed amount of \$104,006,012.81, excluding sales tax.

On March 6, 2023, by Resolution 23-14741, the Commission of the District ratified Field Work Order/Change Order Nos. 2-GMP1, 2-GMP2, 3-GMP2, and 4-GMP2 and authorized the General Manager to execute Field Work Order/Change Order No. 5-GMP2 to update the work scope under the GMP Amendment No. 2 – First Unit (U5) in an amount of \$1,443,227.80 for a revised overall contract amount of \$105,449,240.61, excluding sales tax.

On March 20, 2023, by Resolution No. 23-14746, the Commission of the District authorized the General Manager to execute GMP Amendment No. 3 to procure and start manufacturing of long lead-time components for the second and third Units in an amount of \$9,038,126.93 for a revised overall contract amount of \$114,487,367.54, excluding sales tax. The Commission of the District also approved the budget revision for Unit U7 and established the initial total project budget and 2023 budget for Unit U3.

Executed Field Work Orders to be Ratified

Field Work Order/Change Order Nos. 4, 6-GMP2, 1-GMP3 and 3-GMP1 updated the hourly rate table. There was no change in the contract price. They were executed in May 2023 and are on file in the office of the District.

Field Work Order/Change Order No. 4-GMP1 provided final machining of the discharge ring after dimensions from the existing discharge ring became available from the site. This change adds \$173,342.00 revising the total cost of GMP Amendment No. 1 - Long Lead to 11,108,792.82.

Proposed Field Work Order for Approval

Field Work Order/Change Order No. 7-GMP2 provides engineering design changes, as well as supply and installation as specified in the FWO, for the following items: (1) finite element analysis and thermal cycle testing, (2) stator winding terminal inversion and material, (3) rotor turning device, (4) air-filled hub inspection port, (5) piping outside the bulb, (6) dual units on drawings, (7) 504 tank ladder modifications and (8) disposition of reused components. The cost for these modifications is \$3,329,652.66 which will result in a new revised total contract price for GMP Amendment No. 2 - First Unit (U5) of \$72,679,335.82.

District staff recommends ratification of Field Work Order/Change Order Nos. 4, 6-GMP2, 1-GMP3, 3-GMP1, and 4-GMP1 to Contract No. 18-10 with GE, and execution of Field Work Order/Change Order No. 7-GMP2 for an amount of \$3,329,652.66, for the Rock Island Dam Powerhouse No. 2 – Generating Unit Rehabilitation Project First Unit Rehabilitation. The revised overall contract amount after execution of this Field Work Order/Change Order No. 7-GMP2 will be \$117,990,362.20, excluding sales tax. 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, as follows:

Section 1. The Commission finds that Field Work Order/Change Order Nos. 4, 6-GMP2, 1-GMP3, 3-GMP1, and 4-GMP1 were properly executed pursuant to the authority delegated by Resolution No. 17-14215 and said Field Work Order/Change Orders are hereby formally acknowledged and ratified.

Section 2. The General Manager of the District is hereby authorized to execute Field Work Order/Change Order No. 7-GMP2 covering engineering design changes under GMP Amendment No. 2 - First Unit (U5) with GE to Contract No. 18-10 for Rock Island Dam Powerhouse No. 2 – Generating Unit Rehabilitation First Unit Rehabilitation for an amount of \$3,329,652.66 for a revised overall contract amount of \$117,990,362.20, excluding sales tax.

DATED this 6th day of November 2023.

ATTEST:

President

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION APPROVING FIELD WORK ORDER NO. 9 FOR CONTRACT NO. 18-67 WITH WEG TRANSFORMERS, USA LLC OF WASHINGTON, MO FOR 28 MVA, 115/12.47 KV SUBSTATION POWER TRANSFORMERS AND FURTHER AUTHORIZING BUDGET FOR THE SUBSTATION TRANSFORMER ACQUISITION PROJECT

FACTUAL BACKGROUND AND REASONS FOR ACTION

On November 18, 2018, by Resolution 18-14283, the Commission of the District authorized the General Manager to invite sealed proposals for 28 MVA, 115/12.47 kV Substation Power Transformers. The bid was for an initial purchase of two (2) power transformers, with the option to purchase five (5) additional transformers in future years for other locations.

On February 4, 2019, by Resolution 19-14317, the Commission of the District determined bids to be non-responsive and authorized staff to procure transformers by negotiation pursuant to RCW 54.04.080. Subsequently, a negotiated contract was executed on May 17, 2019, with WEG Transformers, USA LLC in the amount of \$1,151,934.00 for the initial order of two (2) power transformers.

On December 6, 2021, by Resolution 21-14609, the Commission of the District ratified Field Work Order/Change Order (FWO/CO) Nos. 1 and 2 and further authorized the General Manager to execute FWO/CO No. 3 for the acquisition of a 28 MVA 115/12.47 kV Substation Transformer for the North Shore Substation project (Second Order) in an amount of \$863,019, resulting in a revised total contract price of \$2,014,953.

On October 3, 2022, by Resolution 22-14696, the Commission accepted the work for the Supply of Two (2) Transformers for the Ohme Substation (First Order).

On September 18, 2023, by Resolution 23-14799, the Commission ratified FWO/CO Nos. 4-7 which modified Contract Time, Terms and Specifications and also addressed transformer storage resulting in an increase in the contract price of \$15,575. Field Work Order No. 8 was also approved for the supply of two (2) transformers for the Bavarian and Plain Substations and spare parts in an amount of \$2,703,350 for a revised total contract price of \$4,733,878 (excluding sales tax). The work for the Supply of the North Shore Substation Transformer was also accepted. In addition, the project budget for the Plain Transformer Replacement Project was increased to \$2,200,000.

Proposed Field Work Order/Change Order for Approval

Staff now recommends the purchase of two (2) additional transformers for the District’s substation buildout (fourth order).

District Staff desires to execute FWO/CO No. 9 for the acquisition of two (2) substation transformers in an amount of \$2,684,600 for a revised total contract price of \$7,418,478 (excluding sales tax). This is the final order authorized by this contract.

Additionally, staff recommends creation of a Substation Transformer Acquisition Project budget of \$3,000,000.

The General Manager of the District concurs with staff’s recommendations that Field Work Order/Change Order No. 9 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/Change Order No. 9. A copy of the Field Work Order/Change Order shall be on file in the offices of the District.

Section 2. The total project budget of \$3,000,000 is authorized for the Substation Transformer Acquisition Project.

DATED this 6th day of November 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AMENDMENT
NO. 3 TO SERVICES AGREEMENT (SA NO. 22-
12502) WITH RGEN INC. TO PROVIDE
SHAREPOINT SITE CONSULTING SERVICES

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District entered into a Services Agreement (SA No. 22-12502) on September 15, 2022 with rGen Inc. of Bellevue, Washington to provide SharePoint site Consulting Services, in an amount not to exceed \$95,000.00. Amendment No. 1 was executed on December 2, 2022 to extend the Services Agreement to June 30, 2024 and increase the not to exceed contract price by \$100,000.00 for a revised contract price not to exceed \$195,000.00. Amendment No. 2 was executed on March 27, 2023 to increase the not-to-exceed amount to \$500,000.00 pursuant to Resolution No. 23-14748 dated March 20, 2023.

District staff has identified the need for additional services to improve the functionality and reliability of its SharePoint resources.

Resolution No. 17-14215 requires that the Commission, by resolution, authorize Service Agreements and Amendments when the total contract price exceeds \$500,000.

District staff recommends that it is in the best interest of the District to increase the not-to-exceed amount by \$500,000.00 for a total revised contract price not-to-exceed \$1,000,000.00.

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. 22-12502) with rGen Inc. to provide the additional services identified above. The revised contract price will not exceed \$1,000,000.00 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 6th day of November 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION REJECTING ALL BIDS AND DECLARING THAT NO BIDS WERE RECEIVED FOR THE ROCK ISLAND POWERHOUSE 2 HVAC UPGRADE (BID NO. 22-12558) AND AUTHORIZING THE ROCK ISLAND POWERHOUSE 2 HVAC UPGRADE WORK BE OBTAINED BY NEGOTIATION

FACTUAL BACKGROUND AND REASONS FOR ACTION

The 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.

District staff prepared bidding documents for Bid 22-12558, Rock Island Powerhouse 2 HVAC Upgrade.

Sealed proposals were invited and published in accordance with RCW 54.04.070 and said bids were opened on October 10, 2023 at 2:00 P.M. Pacific Time in the offices of the District.

Two (2) bids were received pursuant to that invitation. Both bids exceeded the engineer's estimate by over fifteen percent (15%).

RCW 54.04.080 precludes the District from awarding contracts for more than 15% in excess of the engineer's estimate. As a result, the bids were non-responsive and should be rejected. Resolution No. 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 bids are received. District staff recommends that, due to time constraints and project requirements, the Rock Island Powerhouse 2 Upgrade be procured by negotiation.

The General Manager of the District 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 as follows:

Section 1. The bids received to furnish the Rock Island Powerhouse 2 HVAC Upgrade (Bid No. 22-12558) are rejected. District staff is authorized to obtain the Rock Island Powerhouse 2 HVAC Upgrade 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 6th day of November, 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION APPROVING BID
ADVERTISEMENT, AWARD AND CONTRACT
EXECUTION FOR WENATCHEE RIVERFRONT
PARK PHASE 1 IMPROVEMENTS (BID NO. 23-
13033)

FACTUAL BACKGROUND AND REASONS FOR ACTION

Bid 23-13033, Wenatchee Riverfront Park Phase 1 Improvements, is a Public Power Benefit project for Riverfront Park in conjunction with City of Wenatchee. The project also includes work at Walla Walla Park for trail safety improvements in front of Riverside 9 Apartments, addition of a full-size basketball court at the sports court facility, and maintenance work to replace the existing asphalt at Walla Walla parking lot nearest to river.

Resolution No. 17-14215 requires Commission approval of bids and Authorization to invite bids that are estimated to exceed \$3,000,000. Bidding documents for Bid No. 23-13033, including specifications, are being prepared by the District and will be on file in the offices of the District.

Resolution No. 17-14215 also requires Commission approval to award bids estimated to exceed \$3,000,000. Bid No. 23-13033 has an engineer's estimate that exceeds \$3,000,000. Should all Bids exceed the engineer's estimate by more than 15%, excluding sales tax, an award will not be issued pursuant to RCW 54.04.080.

District staff recommends that Bid No. 23-13033 is in the best interest of the District and that said documents be approved and invitation for bid be published.

District staff also recommends it is in the District's best interest to authorize staff to award Bid No. 23-13033 in an amount not to exceed 15% above the engineer's estimate, excluding sales tax, and to authorize the General Manager or his designee to enter into a contract with the lowest responsive and responsible bidder with a legally compliant bid that meets the District's terms and conditions.

The General Manager of the District 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, as follows:

Section 1. The bidding documents (Bid No. 23-13033) for the Wenatchee Riverfront Park Phase 1 Improvements are hereby approved and the General Manager of the District is hereby authorized to invite sealed proposals for furnishing said labor and materials.

Section 2. The Commission hereby authorizes staff to award Bid No. 23-13033 for the Wenatchee Riverfront Park Phase 1 Improvements to the lowest responsive and responsible bidder in an amount not greater than 15% above the engineer’s estimate, excluding sales tax. Furthermore, the General Manager of the District is hereby authorized to enter into a contract with the lowest responsive and responsible bidder with a legally compliant bid that meets the District’s terms and conditions. A copy of the contract will be on file in the offices of the District.

DATED this 6th day of November 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION DECLARING CERTAIN PORTIONS
OF THE DISTRICT'S PROPERTY AT THE FIFTH
STREET CAMPUS SURPLUS TO DISTRICT NEEDS

FACTUAL BACKGROUND AND REASONS FOR ACTION

The Public Utility District No. 1 of Chelan County ("District") is the owner of multiple parcels of land located on Wenatchee Avenue south of Fifth Street located in Chelan County, Washington ("Property").

On September 18, 2023, a Term Sheet was presented to the PUD Board proposing a transaction in which the District sells and the Wenatchee Young Men's Christian Association ("YMCA") purchases a portion of the Property depicted in Exhibit A ("YMCA Parcels").

Since that date, District and YMCA staff have been negotiating a Purchase and Sale Agreement that forms the basis for District staff's recommendation and determination that the YMCA Parcels will be surplus to the District's needs.

RCW 54.16.180 provides that the District may sell property no longer necessary, material to, and useful in its system operations. Before disposing of surplus property RCW 39.33.030 requires the District to hold a public hearing after public notice and news release required therein.

On October 16, 2023, the Commission, by motion, set a public hearing date for its regular meeting on November 6, 2023, for the purpose of considering whether the YMCA Parcels are surplus to District needs. The District published notice regarding the surplus Property hearing for this date and purpose.

Following the public hearing, staff recommends the YMCA Parcels be declared surplus to District needs. 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, as follows:

Section 1. After the public hearing held November 6, 2023, a portion of tax parcels 222003860061 and 222003860024 located in Wenatchee Washington and depicted in Exhibit A as the YMCA Parcels, is declared surplus to the District's needs.

DATED this 6th day of November, 2023.

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

EXHIBIT A

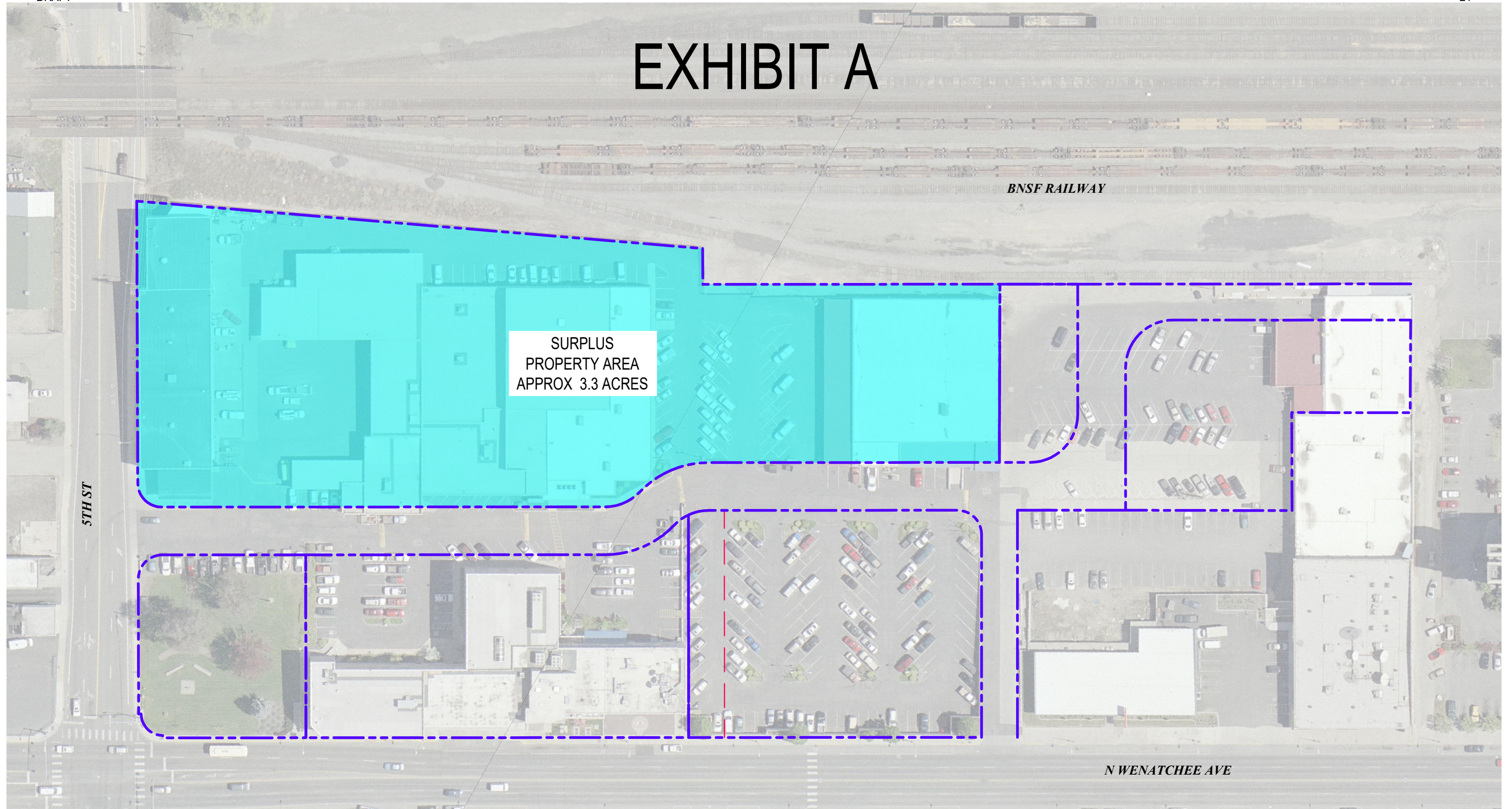


EXHIBIT A - PROPOSED SURPLUS AREA

1" = 80'

LEGEND




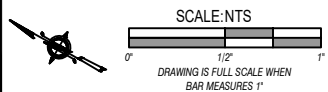
-  PROPOSED PROPERTY LINES
-  PROPOSED UTILITY EASEMENT
-  SURPLUS PROPERTY AREA

EXHIBIT A - SURPLUS PROPERTY AREA

5TH STREET REDEVELOPMENT



PLOT DATE: 10/31/2023
 FILE PATH: J:\Data\1217-105-10\CAD\5red-e-overview.dwg

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE GENERAL MANAGER OF THE DISTRICT TO EXECUTE A SERVICES AGREEMENT (SA NO. 23-13176) WITH ELECTRICAL CONSULTANTS, INC. OF BILLINGS, MONTANA FOR COMMISSIONING OF JUMPOFF RIDGE SUBSTATION

FACTUAL BACKGROUND AND REASONS FOR ACTION

This service agreement is required to provide third party commissioning services to confirm operational readiness for the new Jumpoff Ridge substation located in Malaga, WA. Resolution No. 17-14215 requires that the Commission, by resolution, authorize Service Agreements that exceed \$500,000.

Electrical Consultants, Inc. of Billings, MT has prepared a proposal to perform Commissioning of Jumpoff Ridge Substation for an estimated cost of \$600,000.00.

District staff has determined that Electrical Consultants, Inc. is the best qualified firm to provide the required services and that the cost for said services of \$600,000.00 is a fair and reasonable price.

It is District staff's recommendation that it is in the best interest of the District to enter into a Services Agreement with Electrical Consultants, Inc. for the above-described services.

The General Manager of the District 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 of the District is hereby authorized to enter into a Services Agreement with Electrical Consultants, Inc. for Commissioning of Jumpoff Ridge Substation in an amount not to exceed \$600,000.00 without prior Commission approval. A copy of the Agreement is on file in the offices of the District.

DATED this 6th day of November 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

**A RESOLUTION ESTABLISHING THE DISTRICT'S
10-YEAR CONSERVATION POTENTIAL PLAN AND
TWO-YEAR CONSERVATION TARGET FOR 2024-
2025 AS REQUIRED UNDER RCW CHAPTER 19.285****FACTUAL BACKGROUND AND REASONS FOR ACTION**

In November 2006, Washington voters approved the Energy Independence Act (the Act), also known as Initiative 937. The Act, codified as RCW Chapter 19.285, directs utilities that serve more than 25,000 customers to develop targets for energy conservation and use of eligible renewable resources. The District serves more than 25,000 electric customers and is subject to the Act's requirements.

Conservation is defined in the statute as any reduction in electric power consumption resulting from an increase in the efficiency of energy use, production or distribution. Beginning January 1, 2010, qualifying utilities have been required under the Act to acquire all conservation that is cost-effective, reliable and feasible. Utilities are required to identify their achievable cost-effective conservation potential. Every two years the utility must review and update its 10-year conservation potential plan and establish a biennial acquisition target that is not less than the pro rata share of the 10-year conservation potential and meet that target during the subsequent two-year period. The District has developed its biennial target and 10-year plan in accordance with the Act. The recommended 10-year conservation potential plan is attached as Exhibit A. The General Manager concurs with this recommendation.

On October 21, 2023, a legal advertisement notifying customers of a public hearing and opportunity to submit public comment on conservation targets and planning appeared in The Wenatchee World. On November 6, 2023, the properly noticed public hearing established the 10-year conservation plan and two-year conservation target as required under RCW Chapter 19.285. No comments were received prior to the hearing on November 6, 2023.

ACTION

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

Section 1. It is in the best interest of the District to establish, and therefore does establish the 10-year conservation potential plan and two-year conservation target as set forth in Exhibit A. The Commission will review the plan and target as required by RCW 19.285. The District’s biennial target shall be no less than its pro rata share of its 10-year conservation potential plan.

Dated this 6th day of November 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

Exhibit A

