

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

**REGULAR COMMISSION MEETING**

**NOVEMBER 17, 2025**

**STUDY SESSION**

**10:00 AM**

1. Pledge of Allegiance and Safety/H&OP Minute – Randall Phillips
2. Approval of the Agenda
3. CPO Winner Recognition
4. 10:15am - Public Hearing: 2026 Budget Update
5. Draft Strategic Plan Review
6. Final Draft Integrated Resource Plan Report
7. Clean Energy Implementation Plan
8. Conservation Potential Assessment and 2-Year Targets
9. Utility Discount Programs  
Proposed motion: To approve the proposed public engagement plan and to set a public rate hearing on December 1, 2025, at 11:00am at the PUD Service Center
10. Property Acquisition Opportunities
11. Public Comment  
*Time for public comments or questions related to matters not covered by the agenda*

**BUSINESS SESSION**

**1:00 PM**

**Consent Agenda**

12. Minutes of the November 3, 2025 Regular Meeting
13. Vouchers: Accounts Payable Summary Report dated November 12, 2025:
  - a. Vouchers totaling \$21,883,184.55;

REGULAR COMMISSION MEETING AGENDA

November 17, 2025

Page 2

- b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period October 28, 2025 through November 11, 2025 in the amount of \$83,744.61.
- c. Approval of the net Payroll, Warrant Nos. 238869 through 238875 and Advice Nos. 810692 through 811553 for the pay period ending November 02, 2025 in the amount of \$3,059,722.83.
- d. Approval of Warrant Nos. 33812 through 33875 totaling \$13,579.88 for claim payments from the workers' compensation self-insurance fund for the period ending November 10, 2025.

**Regular Agenda**

- 14. RESOLUTION NO. 25-15043 RATIFYING CHANGE ORDER NO. 1 AND APPROVING CHANGE ORDER NO. 2 TO THE CONTRACT WITH KNIGHT CONSTRUCTION & SUPPLY, INC. FOR ROCK ISLAND SPILLWAY CRACK REPAIRS (CONTRACT NO. 24-13718)
- 15. RESOLUTION NO. 25-15044 A RESOLUTION ACCEPTING THE PROPOSAL OF KUNEY-BRENNAN JOINT VENTURE OF SPOKANE, WA TO PROVIDE PROGRESSIVE DESIGN-BUILD SERVICES FOR THE ROCK ISLAND AND ROCKY REACH HYDROELECTRIC DAM CIVIL AND MECHANICAL IMPROVEMENTS, INCLUDING THE FIRST GMP FOR PRECONSTRUCTION SERVICES OF THE DROP GATE STRUCTURE, AND AUTHORIZING THE GENERAL MANAGER OF THE DISTRICT TO ENTER INTO A CONTRACT FOR SAID SERVICES
- 16. RESOLUTION NO. 25-15045 REJECTING ALL BIDS AND DECLARING THAT NO BIDS WERE RECEIVED FOR THE 2025 SUBSTATION PROGRAM TRANSFORMERS (BID NO. 25-14367) AND AUTHORIZING PROCUREMENT BY NEGOTIATION
- 17. Manager Items
- 18. Commission Items
- 19. Follow-up on Delegation of Action Items from Previous Board Meeting
- 20. Delegation of Action Items
- 21. Additional Public Comment
- 22. Matters of general business as may necessarily come before the Commission
- 23. 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) for \_\_\_\_ minutes

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

RESOLUTION NO. 25-15043 RATIFYING  
CHANGE ORDER NO. 1 AND APPROVING  
CHANGE ORDER NO. 2 TO THE CONTRACT  
WITH KNIGHT CONSTRUCTION & SUPPLY,  
INC. FOR ROCK ISLAND SPILLWAY CRACK  
REPAIRS (CONTRACT NO. 24-13718)

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

On June 17, 2024, by Resolution No. 24-14892, the Commission of the Public Utility District No. 1 of Chelan County (“District”) declared an emergency pursuant to RCW 54.04.070 and 39.04.280 and authorized the General Manager to contract for goods and services related to the repair of the Rock Island Dam spillway concrete cracks.

Pursuant to that authorization, the District executed Contract No. 24-13718 with Knight Construction & Supply, Inc. (“Contractor”) on July 10, 2024, in the amount not to exceed \$17,000,000, excluding sales tax, to initiate emergency concrete crack repairs of the Rock Island Dam spillway and downstream parapet wall. Design engineering and construction proceeded concurrently to expedite completion. The emergency work has progressed successfully, with repairs completed in 23 of the 32 spill bays, maintaining safe dam operation and river flow capacity.

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

The work in Change 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 Change Order No. 1, which is on file in the offices of the District and summarized as follows:

<b>Change Order No.</b>	<b>Description</b>	<b>Amount</b>
1	Add Additional Equipment Rates	\$0
<b>Total</b>		<b>\$0</b>

District's Engineers recommend that Change Order No. 1 be ratified, which did not change the contract price of \$17,000,000 (excluding sales tax).

Additionally, District staff recommends execution of Change Order No. 2 to increase the contract price by \$16,000,000, for a revised not to exceed Contract Price of \$33,000,000 (excluding sales tax). Change Order No. 2 provides the funding necessary to complete all remaining emergency spillway crack and parapet wall repairs at Rock Island Dam, including work required for Federal Energy Regulatory Commission (FERC) dam safety compliance, final testing, and project closeout. These activities are essential to restore full structural integrity and ensure the continued safe operation of the spillway through project completion in 2026.

The General Manager of the District concurs with staff's recommendations that Change Order No.1 be ratified and Change Order No. 2 approved.

**ACTION**

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

Section 1. The Commission finds that Change Order No. 1 was properly executed pursuant to the authority delegated by Resolution No. 17-14215 and said Change Order is hereby formally acknowledged and ratified.

Section 2. The Commission hereby approves Change Order No. 2 to Contract No. 24-13718 with Knight Construction & Supply, Inc. for the Rock Island Spillway Crack Repairs Project, increasing the not to exceed contract amount to \$33,000,000 (excluding sales tax) and extending the contract time to August 1, 2026, pursuant to the authority delegated by Resolution 25-15029.

Dated this 17<sup>th</sup> day of November 2025.

\_\_\_\_\_  
President

ATTEST:

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

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

RESOLUTION NO. 25-15044 ACCEPTING THE  
PROPOSAL OF KUNEY-BRENNAN JOINT  
VENTURE OF SPOKANE, WA TO PROVIDE  
PROGRESSIVE DESIGN-BUILD SERVICES  
FOR THE ROCK ISLAND AND ROCKY REACH  
HYDROELECTRIC DAM CIVIL AND  
MECHANICAL IMPROVEMENTS,  
INCLUDING THE FIRST GMP FOR  
PRECONSTRUCTION SERVICES OF THE  
DROP GATE STRUCTURE, AND  
AUTHORIZING THE GENERAL MANAGER OF  
THE DISTRICT TO ENTER INTO A CONTRACT  
FOR SAID SERVICES

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

On February 3, 2025, by Resolution No. 25-14971, the Commission of the District authorized the General Manager to invite sealed proposals to provide Design-Build services to the District in support of Rock Island and Rocky Reach Hydroelectric Dam Civil and Mechanical Improvements (the “Project”). The Project aims to improve and upgrade these dam facilities while ensuring continued operation. Given the critical nature of these facilities, the work will be scheduled as a multi-year, multi-phased Project to minimize operational impact. Key elements of this Project include upgrading spillway gates and operational components at Rocky Reach Dam, upgrading the Rock Island Dam left bank fish ladder water supply structure (drop gate structure), upgrading the Rock Island Dam spillway, which may include structural modifications, gate replacement or modification, hoist replacement, storage replacement, gantry crane bus replacement, and seismic retrofit.

Resolution No. 17-14215 requires Commission approval of Request for Proposals (RFP) that are estimated to exceed \$3,000,000.

On February 27, 2025, the District solicited Request for Qualifications from Design-Build firms. On May 30, 2025, the District received four (4) Statements of Qualifications (SOQ). The evaluation team reviewed, scored the SOQs provided by the firms, and decided to invite three (3) firms to submit proposals in response to the District's Request for Proposals (RFP). The RFP was used to evaluate project specific criteria, technical design and cost factors. On August 22, 2025, the District received three (3) proposals. The evaluation team reviewed the proposals and selected Kuney-Brennan Joint Venture (“Kuney-Brennan”) based on the combined scores for technical proposals, interviews, and pricing.

District's staff has determined that Kuney-Brennan is the most qualified firm to provide the anticipated work, and that the proposal provided by Kuney-Brennan for said work is fair, reasonable and meets all statutory requirements.

District’s staff recommends awarding the RFP No. 24-13848 to Kuney-Brennan. This contract will establish a progressive design-build framework that enables the development of

multiple Guaranteed Maximum Price (GMP) agreements, each corresponding to defined scopes of work. Throughout the duration of the Project, the awarded contract may be amended by Board resolution or delegated authority to authorize further Preconstruction Services and, following their completion, to include additional GMPs for construction work on defined aspects of the Project.

Additionally, this resolution, requests Board approval of the first GMP to initiate Kuney-Brennan providing Preconstruction Services for the Rock Island Dam left bank fish ladder water supply structure (drop gate structure) while the Design continues. When Design and Preconstruction Services are complete, Kuney-Brennan and the District will negotiate subsequent GMP(s) to build the Rock Island Dam drop gate structure.

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. Kuney-Brennan Joint Venture of Spokane, WA has been identified as the most qualified proposer for the Design-Build Services of Rock Island and Rocky Reach Hydroelectric Dam Civil and Mechanical Improvements based on their qualifications and final proposal. The General Manager of the District is hereby authorized to enter into a design build contract with Kuney-Brennan Joint Venture. The initial contract will authorize Preconstruction Services (PC 1.0) for the Rock Island Dam drop gate structure in an amount not to exceed \$1,050,599.24. The District will return to the Board for approval of subsequent amendments once established delegation thresholds are reached or additional funding authorization by the Board is required.

Dated this 17th day of November 2025.

\_\_\_\_\_  
President

ATTEST:

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

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

RESOLUTION NO. 25-15045 REJECTING ALL  
BIDS AND DECLARING THAT NO BIDS  
WERE RECEIVED FOR THE 2025  
SUBSTATION PROGRAM TRANSFORMERS  
(BID NO. 25-14367) AND AUTHORIZING  
PROCUREMENT BY NEGOTIATION

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

The Commission of Public Utility District No. 1 of Chelan County, by Resolution No. 25-15016, adopted on August 4, 2025, approved the bidding documents for the 28 MVA, 115/12.47 kV Substation Program Transformers (Bid No. 25-14367) to support upcoming substation projects to meet load growth and reliability requirements.

Sealed proposals were invited and published in accordance with RCW 54.04.070 on August 21, 2025, and bids were opened on October 30, 2025, at 10:00 a.m. Pacific Time in the offices of the District.

Seven (7) bids were received pursuant to that invitation. All bid proposals included material changes to the terms and conditions of the bid.

District staff is of the opinion that the bids were non-responsive and should be rejected. Resolution No. 25-15029 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. Due to time constraints and project requirements for the Substation Power Transformer Program, District staff recommends that the required transformers be procured by negotiation rather than re-advertising for bids.

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 28 MVA, 115/12.47 kV Substation Program Transformers (Bid No. 25-14367) are rejected. District staff is authorized to obtain the Substation Power Transformers 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 17th day of November 2025.

\_\_\_\_\_  
President

ATTEST:

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

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner