

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

**REGULAR COMMISSION MEETING**

**SEPTEMBER 21, 2020**

Public participation will be by phone only

Dial: 509-661-8872

Conference ID: 3137805#

**\*\*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 – Allison Brodine
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. From Energy Efficiency to Customer Energy Solutions
5. Regional Water Update
6. Rocky Reach Large Unit Water Filled Hub Conversion

**BUSINESS SESSION**

**1:00 PM**

**Consent Agenda**

7. Minutes of the September 8, 2020 Regular Meeting
8. Vouchers: Accounts Payable Summary Report dated September 16:
  - a. Vouchers totaling \$7,330,562.45;

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- b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period September 2, 2020 through September 15, 2020 in the amount of \$29,170.46;
  - c. Approval of the net Payroll, Warrant Nos. 237172 through 237188 and Advice Nos. 700344 through 701123 for the pay period ending 08/30/2020 in the amount of \$2,039,328.67;
  - d. Approval of Warrant Nos. 26886 through 26920 totaling \$25,243.98 for claim payments from the workers' compensation self-insurance fund for the period ending September 14, 2020.
9. A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1-10, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 18-06 WITH CACHE VALLEY ELECTRIC COMPANY OF LOGAN, UT AND AUTHORIZING PAYMENT OF RETAINAGE
10. A RESOLUTION APPROVING THE PURCHASE AND SALE AGREEMENT WITH RAYMOND C. SCHMITTEN FOR THE PURCHASE OF REAL PROPERTY AND AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO COMPLETE THE TRANSACTION

**Regular Agenda**

11. A RESOLUTION RATIFYING FIELD WORK ORDER NO. 1, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 17-76 WITH K&N ELECTRIC, INC. OF SPOKANE VALLEY, WASHINGTON AND AUTHORIZING PAYMENT OF RETAINAGE
12. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A SERVICE AGREEMENT (NO. 20-25) WITH BLUE LEAF ENVIRONMENTAL, INC. OF ELLENSBURG, WASHINGTON FOR THE ROCK ISLAND HCP CONFIRMATION SURVIVAL STUDY
13. A RESOLUTION DECLARING SCHWEITZER ENGINEERING LABORATORIES, INC. OF PULLMAN, WA AS THE SOLE SOURCE SUPPLIER OF PROTECTION AND AUTOMATION EQUIPMENT FOR USE AT THE DISTRICT'S HYDROELECTRIC FACILITIES AND TRANSMISSION AND DISTRIBUTION SYSTEMS
14. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 2-14, 2-15, AND APPROVING EXECUTION OF FIELD WORK ORDER/CHANGE ORDER NO. 3-04, FOR THE SECOND AND THIRD UNITS UNDER CONTRACT NO. 14-22 WITH VOITH HYDRO, INC. OF YORK, PA FOR ROCKY REACH UNITS C-8 THROUGH C-11 TURBINE REPAIRS
15. Manager Items
16. Commission Items

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

18. Delegation of Action Items

19. 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.*

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)

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

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

A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1-10, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 18-06 WITH CACHE VALLEY ELECTRIC COMPANY OF LOGAN, UT 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 under certain circumstances.

On November 2, 2018, the District entered into a contract (Bid No. 18-06) with Cache Valley Electric Company (Contractor) of Logan, UT for Physical Security Access Control Platform Replacement, in the amount of \$657,326. 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. 1-10 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. 1-10, which are on file in the offices of the District and summarized as follows:

<b>Field Work Order No.</b>	<b>Amount</b>
1. Increase Contract Price and extend Contract Time	\$47,270.92
2. Additions and subtractions to scope of work and decrease Contract Price	-\$8,334
3. Additions to scope of work and increase Contract Price	\$77,121.45
4. Additions to scope of work	\$79,315.28
5. Additions to scope of work, increase Contract Price, and extension of Contract Time	\$57,635
6. Additions to scope of work, increase Contract Price, and extension of Contract Time	\$16,745
7. Additions to scope of work, increase Contract Price, and extension of Contract Time	\$20,959
8. Additions to scope of work and increase Contract Price	\$5,512
9. Increase Contract Price	\$4,109
10. Decrease Contract Price	-\$50,000
<b>Total</b>	<b>\$250,333.65</b>

Field Work Order Nos. 1-10 results in a net increase in the contract price of \$250,333.65 for a total revised contract price of \$907,659.65, (excluding sales tax),

which the District's Engineers recommend be ratified. Resolution No. 17-14215 provides that these types of field work orders 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 August 27, 2020. 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, ratify Field Work Order Nos. 1-10 and 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. Field Work Order Nos. 1-10 to Bid No. 18-06 with Cache Valley Electric Company for the work specified above, which will result in a net increase in the purchase price of \$250,333.65, for a total revised contract price of \$907,659.65, (excluding Washington State sales tax) is hereby ratified.

Section 2. All the contract work required under Bid No. 18-06 was completed on August 27, 2020 and the same is hereby accepted, subject to Section 3 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 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 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 21st day of September 2020.

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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

Contact

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

A RESOLUTION APPROVING THE PURCHASE AND SALE AGREEMENT WITH RAYMOND C. SCHMITTEN FOR THE PURCHASE OF REAL PROPERTY AND AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO COMPLETE THE TRANSACTION

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

On November 22, 2011 Public Utility District No. 1 of Chelan County (District) entered into a 10-year property lease with Raymond C. Schmitt. The purpose of the lease was to construct, operate and maintain a smolt trap and its appurtenances for the purpose of monitoring the numbers of wild chinook and coho salmon and steelhead on the Wenatchee River. This allows the District to meet obligations set forth in the Habitat Conservation Plans for Rocky Reach and Rock Island.

Schmitt has notified the District that he intends to sell the property on which the smolt trap and its appurtenances are located and that he will not extend the lease which expires December 31, 2022.

The acquisition of seven acres of land on which the smolt trap and its appurtenances are located is important to maintain the historic and future biological data set and to continue to meet the obligations set forth in the Habitat Conservation Plans for Rocky Reach and Rock Island, as described above

On August 17, 2020 the District and the Seller entered into a Purchase and Sale Agreement (PSA) for the subject parcel in the amount of \$613,000. The property was appraised in November 18, 2019 for \$613,000. As additional consideration, the PSA also provides for the District to split the cost of road improvements, up to a maximum of \$25,000, towards road improvements if required by the City of Cashmere as a condition of approval for the short plat needed to divide the property for sale. The PSA is contingent upon approval by the District's Board of Commissioners.

Staff recommends the Purchase and Sale Agreement with the Seller be approved, and the General Manager directed to take the necessary steps to close the transaction. 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. The Purchase and Sale Agreement with Raymond C. Schmitten for the described real property in this Resolution in the amount of \$613,000, is hereby approved and the General Manager or his designee is hereby authorized to take such further steps as may be required to complete the transaction.

Section 2. The Purchase and Sale Agreement will be on file in the offices of the District.

Dated this 21st day of September 2020.

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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



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

A RESOLUTION RATIFYING FIELD WORK ORDER NO. 1, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 17-76 WITH K&N ELECTRIC, INC. OF SPOKANE VALLEY, WASHINGTON 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 under certain circumstances.

On August 31, 2018, the District entered into a contract (Bid No. 17-76) with K&N Electric, Inc. (Contractor) of Spokane Valley, Washington for Rocky Reach Unit C9 Wicket Gate Modifications, in the amount of \$982,851.00. 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 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 Field Work Order No. 1, which is on file in the offices of the District and summarized as follows:

<b>Field Work Order No.</b>	<b>Amount</b>	<b>Liquidated Damages</b>
1. Assess Liquidated Damages		\$-98,285.10
<b>Total</b>	<b>No Change</b>	<b>\$-98,285.10</b>

Field Work Order No. 1 resulted in Liquidated Damages being assessed in accordance with the Contract in the amount of \$98,285.10, which was deducted from the final payment. Liquidated Damages are a reimbursement for damages/costs and do not reduce the total construction price pursuant to the direction of the Department of Revenue. The total amount paid to the Contractor was \$884,565.90 (excluding sales tax). 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 completion of all contract work occurred on August 27, 2020. 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, ratify Field Work

Order No. 1 and 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. Field Work Order No. 1 to Bid No. 17-76 with K&N Electric, Inc. for Liquidated Damages in the amount of \$98,285.10 was deducted from the final payment. The total revised contract price of \$884,565.90, plus Washington State sales tax, is hereby ratified.

Section 2. All the contract work required under Bid No. 17-76 was completed on August 27, 2020 and the same is hereby accepted, subject to Section 3 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 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 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 21 day of September 2020.

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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

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

A RESOLUTION AUTHORIZING THE GENERAL  
MANAGER TO ENTER INTO A SERVICE  
AGREEMENT (NO. 20-25) WITH BLUE LEAF  
ENVIRONMENTAL, INC. OF ELLENSBURG,  
WASHINGTON FOR THE ROCK ISLAND HCP  
CONFIRMATION SURVIVAL STUDY

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

The District is required to continue implementation of the Habitat Conservation Plan (HCP) in order to achieve no net impact (NNI) on Plan Species for the Rock Island Hydroelectric Project. As part of achieving NNI, the District is required to measure the survival of Plan Species through the Rock Island Project, meet the Phase III Standard Achieved, and to confirm every 10 years that the survival standard continues to be met. Initial project survival studies at Rock Island were completed from 2007 through 2010 and Phase III Standards Achieved was successfully attained in 2010. Due to ongoing modernization in Powerhouse 1 deferment of a confirmation survival study from 2020 to 2021 was agreed to by the RI HCP Coordinating Committee on December 4, 2018. The confirmation project survival study is scheduled for mid-April through mid-June of 2021.

A competitive Request for Proposals was issued by the District on June 17, 2020 to obtain proposals from qualified firms to perform the Rock Island HCP Confirmation Survival Study (Study). Proposals were opened on July 17, 2020 and the District's Proposal Evaluation Team (PET) selected two firms for further evaluation and clarification of the proposals submitted. Responses from the two proposers were received on August 5, 2020 and were evaluated by the PET. The District notified Blue Leaf Environmental, Inc. that its proposal was evaluated with the highest score and the District would be entering into negotiations with Blue Leaf to reach agreement on a contract to perform the study.

Resolution No. 17-14215 requires that the Commission, by resolution, authorize Service Agreements that exceed \$500,000.

Blue Leaf Environmental, Inc. of Ellensburg, Washington has prepared a proposal to perform the Rock Island HCP Survival Study for an estimated cost of \$954,891.

District staff has determined that Blue Leaf Environmental, Inc. is the best qualified firm to provide the required services and that the cost for said services of \$954,891 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 Blue Leaf Environmental, 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, as follows:

Section 1. The General Manager of the District is hereby authorized to enter into a Services Agreement with Blue Leaf Environmental, Inc. for the Rock Island HCP Confirmation Survival Study in an amount not to exceed \$954,891 without prior Commission approval. A copy of the Agreement is on file in the offices of the District.

DATED this 21<sup>st</sup> day of September, 2020.

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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

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

A RESOLUTION DECLARING SCHWEITZER ENGINEERING LABORATORIES, INC. OF PULLMAN, WA AS THE SOLE SOURCE SUPPLIER OF PROTECTION AND AUTOMATION EQUIPMENT FOR USE AT THE DISTRICT'S HYDROELECTRIC FACILITIES AND TRANSMISSION AND DISTRIBUTION SYSTEMS

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

On November 7, 2016, the Commission approved Resolution No. 16-14086 declaring Schweitzer Engineering Laboratories, Inc., through its sole authorized sales representative in the State of Washington, Peak Measure, Inc., was the continuing sole source provider for the Protective Relays; waiving the bidding requirements; and authorizing the General Manager of the District to execute Contract No. 16-76 with Schweitzer Engineering Laboratories, Inc. to provide the Protective Relays for use at District's hydroelectric facilities and transmission substations.

The District has standardized on the Protective Relays of Schweitzer Engineering Laboratories, Inc., and has since installed Schweitzer Engineering Laboratories, Inc.'s automation controllers to support our SCADA systems as well as distribution controllers to support distribution system protection and network reconfiguration. Additionally, with revisions to the North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection (CIP) standards, the District is installing port servers and ethernet security gateway devices that allow for secure communication to all Schweitzer Engineering Laboratories, Inc.'s devices. Staff recommends that Protective Relays, Automation Controllers, Distribution Controls and all associated accessory equipment necessary in making connection to these devices (to include cables, media convertors, port servers and gateway devices) (hereinafter referred to as "Protection and Automation Equipment") be procured from Schweitzer Engineering Laboratories, Inc. Standardizing this equipment will help mitigate cyber security risks to the District's assets and will reduce the burden of the District's engineering and procurement groups with purchasing equipment and maintaining compliance with CIP-013-1 which will become effective on October 1, 2020. All of this equipment is available from PEAK Measure, Inc., the sole authorized sales representative for Schweitzer Engineering Laboratories, Inc. products in the state of Washington.

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

District staff has determined that it would be in the best interest of the District to continue to designate Schweitzer Engineering Laboratories, Inc., through its sole authorized sales representative in the State of Washington, Peak Measure, Inc., as the sole source supplier for the Protection and Automation Equipment in an amount not to exceed \$700,000.00. Staff also recommends that the competitive bidding requirements of RCW 54.04.070 be waived.

District staff have negotiated a new contract with Schweitzer Engineering Laboratories, Inc. which adds the Protection and Automation Equipment for Transmission and Distribution Substations.

District staff intend to close out (terminate) Contract 16-76 after the new Contract 20-11011 becomes effective. Contract 16-76 will remain in effect for orders placed prior to the date of termination.

Under Contract 16-76, the Board of Commissioners authorized expenditures not to exceed \$1,000,000 for the five year period. The total amount of purchases under that contract have been less than \$225,000 since inception.

The General Manager has reviewed staff's recommendations 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 Commission declares Schweitzer Engineering Laboratories, Inc., through its sole authorized sales representative in the State of Washington, Peak Measure, Inc., to be the sole source supplier for the Protection and Automation Equipment.

Section 2. The competitive bidding requirements of RCW 54.04.070 are hereby waived due to the designation of Schweitzer Engineering Laboratories, Inc. as the sole source supplier for the Protection and Automation Equipment.

Section 3. The General Manager or his designee is authorized to enter into a contract with Schweitzer Engineering Laboratories, Inc. for the purchase of the Protection and Automation Equipment at a cost not to exceed \$700,000.00 without prior Commission approval for a term of two years with an option to extend for a total of up to three (3) years. A copy of the contract will be on file in the offices of the District.

Dated this 21st day of September 2020.

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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

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

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 2-14, 2-15, AND APPROVING EXECUTION OF FIELD WORK ORDER/CHANGE ORDER NO. 3-04, FOR THE SECOND AND THIRD UNITS UNDER CONTRACT NO. 14-22 WITH VOITH HYDRO, INC. OF YORK, PA FOR ROCKY REACH UNITS C-8 THROUGH C-11 TURBINE REPAIRS

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

Public Utility District No. 1 of Chelan County (District) adopted Resolution No. 14-13899 on September 2, 2014 which authorized the District to enter into a sole source contract (No. 14-22) with Voith Hydro, Inc. (Contractor) of York, PA for Rocky Reach Units C-8 through C-11 Turbine Repairs, in the amount not to exceed \$21,777,239.00.

**Previously Approved Field Work Orders**

On May 15, 2017 the Commission by Resolution No. 17-14139 ratified Field Work Order/Change Orders 1-01 through 1-18, 2-01 through 2-03 and approved 2-04 totaling a net reduction of \$1,168,107.10, which were executed under the delegated authority of Resolution No. 08-13325, and resulted in a revised total not to exceed contract price of \$20,609,131.90.

On December 17, 2018 the Commission by Resolution 18-14294 ratified Field Work Order/Change Order 1-19 for a net reduction of \$518,144.10, resulting in a revised total not to exceed contract price of \$20,090,987.80.

On January 21, 2019, the Commission by Resolution 19-14313 ratified Field Work Order/Change Order No. 2-05 through 2-12 and approved 3-01 and 4-01 totaling a net increase of \$188,700.05, and resulted in a revised total not to exceed contract price of \$20,279,687.85.

On September 16, 2019, the Commission by Resolution 19-14383 ratified Field Work Order/Change Order No. 2-13, 3-02, 4-02 and approved 3-03 totaling a net increase of \$1,944,015.60, and resulted in a revised total not to exceed contract price of \$22,223,703.45.

**Executed Field Work Orders to be Ratified**

Field Work Order/Change Order No. 2-14 assessed Liquidated Damages for Unit C9 because Contractor did not meet completion dates. Field Work Order/Change Order No. 2-14 did not change the total contract price because the

Liquidated Damages assessed therein for the 2<sup>nd</sup> Unit will be offset by escalation costs due to delays to the 3<sup>rd</sup> and 4<sup>th</sup> units. District staff have executed Field Work Order/Change Order No. 2-14 on April 30, 2020 and it is on file in the offices of the District.

Field Work Order/Change Order No. 2-15 adjusted estimated quantities and costs to actual quantities and costs for 2<sup>nd</sup> Unit (C9). Field Work Order/Change Order No. 2-15 resulted in a reduction in contract price of -\$575,437.86. District staff have executed Field Work Order/Change Order No. 2-15 on April 28, 2020 and it is on file in the offices of the District.

### **Proposed Field Work Orders for Approval**

Additionally, District staff desires to execute Field Work Order/Change Order No. 3-04 which requests Contractor to provide water filled hub engineering and convert Units C10 and C11 from oil filled hubs to water filled hubs. Field Work Order/Change Order No. 3-04 will result in an increase to the total contract price in the amount of \$2,902,332.00.

FWO/CO No.	FWO/CO VALUE	DESCRIPTION
2-14	\$0	Assessed Liquidated Damages for Unit C9
2-15	-\$575,437.86	Adjust estimates quantities/cost to actual quantities/costs
3-04	\$2,902,332.00	Provide engineering and convert Units C10 and C11 to water filled hubs
<b>Total \$2,326,894.14</b>		

Field Work Order Nos. 2-14, 2-15, and 3-04 will result in a net increase of \$2,326,894.14 for a new revised total not to exceed contract price of \$24,550,597.59.

The General Manager of the District concurs with staff's recommendation that FWO/CO Nos. 2-14, and 2-15 be ratified, and that FWO/CO No. 3-04 be 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 Field Work Order/Change Order Nos. 2-14, and 2-15 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. 3-04. A copy of the Field Work Order/Change Orders shall be on file in the offices of the District.

DATED this 21 day of September 2020.

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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

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