

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

REGULAR COMMISSION MEETING

SEPTEMBER 18, 2023

STUDY SESSION

10:00 AM

1. Pledge of Allegiance and Safety/HPI Minute – Chuck Boss
2. Approval of the Agenda
3. PURPA Public Hearing
4. Review Revised Term Sheet for Property Sale to YMCA
5. Public Power Benefit – Project Selection
6. Public Comment
Time reserved for public comments or questions related to matters not covered by the agenda

BUSINESS SESSION

1:00 PM

Consent Agenda

7. Minutes of the September 5, 2023 Regular Meeting
8. Vouchers: Accounts Payable Summary Report dated September 12, 2023:
 - a. Vouchers totaling \$13,055,282.70;
 - b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period August 29, 2023 through September 11, 2023 in the amount of \$42,103.66.
 - c. Approval of the net Payroll, Warrant Nos. 238255 through 238266 and Advice Nos. 762469 through 763305 for the pay period ending August 27, 2023 in the amount of \$2,555,937.06.
 - d. Approval of Warrant Nos. 30067 through 30111 totaling \$7,425.34 for claim payments from the workers' compensation self-insurance fund for the period ending September 11, 2023.

- e. Approval of Parks Reservation System customer refunds for the period August 29, 2023 through September 11, 2023 in the amount of \$1,400.00.
- 9. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1, 2, 3, AND 4, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 21-SW09 FOR LAKE CHELAN HVAC UPGRADE WITH HOLADAY-PARKS-FABRICATORS, INC. DBA HOLADAY-PARKS, INC. OF TUKWILA, WA AND AUTHORIZING PAYMENT OF RETAINAGE

Regular Agenda

- 10. A RESOLUTION AUTHORIZING BUDGET FOR THE PLAIN TRANSFORMER REPLACEMENT PROJECT; RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 4 THROUGH 7; APPROVING FIELD WORK ORDER NO. 8; AUTHORIZING FINAL ACCEPTANCE OF THE SUPPLY OF THE NORTH SHORE SUBSTATION TRANSFORMER; AND AUTHORIZING RELEASE OF RETAINAGE FOR CONTRACT NO. 18-67 WITH WEG TRANSFORMERS, USA LLC OF WASHINGTON, MO FOR 28 MVA, 115/12.47 KV SUBSTATION POWER TRANSFORMERS
- 11. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NO. 2-GMP3, AND AUTHORIZING THE ISSUANCE OF A GMP AMENDMENT NO. 6 TO NORTHBANK CIVIL AND MARINE, INC. OF VANCOUVER, WA TO PROVIDE A GMP AND SCHEDULE FOR THE UPGRADE OF THE FOURTH UNIT (U3) AND HPU MODIFICATIONS ON UNITS U1 AND U2 UNDER CONTRACT NO. 20-14 FOR THE ROCK ISLAND POWERHOUSE NO. 2 DRAFT TUBE GATE CYLINDER AND HYDRAULIC POWER UNIT UPGRADE
- 12. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1-DBA, 1-PC, 2-PC, 3-PC, 1-GMP1, 2-GMP1, AND 1-GMP2 AND FURTHER AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER THE PRE-CONSTRUCTION SERVICES PHASE AND GUARANTEED MAXIMUM PRICE (GMP) AMENDMENT NO. 1, AND FURTHER AUTHORIZING THE ISSUANCE OF GMP AMENDMENT NO. 3 TO OLSSON INDUSTRIAL ELECTRIC, INC. OF SPRINGFIELD, OREGON FOR GENERATOR LEAD REPLACEMENT OF UNITS U-3 AND U-5 FOR THE ROCK ISLAND POWERHOUSE NO. 2 - GENERATOR LEAD REPLACEMENT PROJECT (CONTRACT NO. 20-18)
- 13. A RESOLUTION AUTHORIZING AMENDMENT NO. 2 TO SERVICES AGREEMENT (SA-TA NO. 22-12268) WITH MCMILLEN, INC. TO PROVIDE ROCK ISLAND SPILLWAY MODERNIZATION PROGRAM MANAGEMENT SERVICES
- 14. A RESOLUTION REJECTING ALL BIDS AND DECLARING THAT NO BIDS WERE RECEIVED FOR ROCKWELL AUTOMATION / ALLEN BRADLEY CONTROL EQUIPMENT (BID NO. 23-12931) AND AUTHORIZING THE SUPPLY OF ROCKWELL AUTOMATION / ALLEN BRADLEY CONTROL EQUIPMENT BE OBTAINED BY NEGOTIATION

REGULAR COMMISSION MEETING AGENDA

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15. Manager Items

16. Commission Items

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

18. Delegation of Action Items

19. Additional Public Comment

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) and to consider information regarding the infrastructure and security of computer and telecommunications networks, security and service recovery plans, security risk assessments and security test results to the extent that they identify specific system vulnerabilities pursuant to RCW 42.30.110(1)(a)(ii) for ____ minutes

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

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1, 2, 3, AND 4, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 21-SW09 FOR LAKE CHELAN HVAC UPGRADE WITH HOLADAY-PARKS-FABRICATORS, INC. DBA HOLADAY-PARKS, INC. OF TUKWILA, WA AND AUTHORIZING PAYMENT OF RETAINAGE

FACTUAL BACKGROUND AND REASONS FOR ACTION

On March 8, 2022, an invitation for sealed bids was published in accordance with RCW 54.04.070 and Resolution No. 17-14215 to provide/construct the Lake Chelan HVAC upgrade. On March 21, 2022, the Commission rejected the single nonresponsive bid received and authorized the District's negotiation of a contract to perform the work.

On July 26, 2022, the District negotiated and entered into a contract (Bid No. 21-SW09) with Holaday-Parks-Fabricators, Inc. dba Holaday-Parks, Inc. (Contractor) of Tukwila, WA, for Lake Chelan HVAC Upgrade, in the amount of \$407,740.65.

The work in Field Work Order/Change Order Nos. 1, 2, 3, and 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/Change Order Nos. 1, 2, 3, and 4, which is on file in the offices of the District and summarized as follows:

Field Work Order/Change Order No.	Description	Amount
1	Abatement of lead paint	\$19,455.00
2	Replace electrical metal tubing and steel frame installations	\$19,424.00
3	Moving location of crane lift pad area	\$2,200.00
4	Contract update	\$0.00
	Total	\$41,079.00

Field Work Order Nos. 1, 2, 3, and 4 result in a net increase in the contract price of \$41,079.00 for a new revised total contract price of \$448,819.65 (excluding sales tax), which the District's Engineers recommend be ratified. Resolution No. 17-14215 provides that this type of field work order shall be presented to the Commission for approval as part of the final acceptance resolution.

District staff has determined that the completion of all contract work occurred on September 8, 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, ratify Field Work Order Nos. 1, 2, 3, and 4 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/Change Order Nos. 1, 2, 3, and 4 to Bid No. 21-SW09 with Holaday-Parks-Fabricators, Inc. dba Holaday-Parks, Inc. for the work specified above, which will result in a net increase in the contract price of \$41,079.00, for a total revised contract price of \$448,819.65, plus Washington State sales tax, are hereby ratified.

Section 2. All the contract work required under Bid No. 21-SW09 was completed on September 8, 2023 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 18th day of September, 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING BUDGET FOR THE PLAIN TRANSFORMER REPLACEMENT PROJECT; RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 4 THROUGH 7; APPROVING FIELD WORK ORDER NO. 8; AUTHORIZING FINAL ACCEPTANCE OF THE SUPPLY OF THE NORTH SHORE SUBSTATION TRANSFORMER; AND AUTHORIZING RELEASE OF RETAINAGE FOR CONTRACT NO. 18-67 WITH WEG TRANSFORMERS, USA LLC OF WASHINGTON, MO FOR 28 MVA, 115/12.47 KV SUBSTATION POWER TRANSFORMERS

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 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).

Field Work Order/Change Order (FWO/CO) Nos. 4 through 7 consisted of conditions and work not anticipated or included in the original contract but within the scope of the contract. The District's staff executed Field Work Order/Change Order Nos. 4 through 7, which are on file in the offices of the District and summarized as follows:

FWO/CO No.	Description	Amount
4	Specification and Payment Term Modification	\$0
5	Delay Delivery Date and Establish Storage Fees for the North Shore Substation Transformer	\$15,575
6	Define Location of Stored Transformer	\$0
7	Extend Contract Term, Modify Specific Requirements and General Conditions	\$0
Total		\$15,575

Field Work Order/Change Order Nos. 4 through 7 resulted in an increase of the contract price of \$15,575 for a revised total contract price of \$2,030,528 (excluding sales tax).

Staff now recommends the purchase of two (2) additional transformers for the Bavarian and Plain Substations and Spare Parts (Third Order).

District Staff desires to execute FWO/CO No. 8 for the acquisition 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). This Contract allows for the purchase of two (2) additional transformers with a current Contract Term date of December 31, 2025.

Additionally, budget has not been approved for the Plain Substation Transformer Replacement Project. Staff recommends a total project budget of \$2,200,000 to cover the purchase of the transformer \$1,500,000 and internal labor and design cost of \$700,000.

District staff has determined that the work required for the Supply of the North Shore Substation Transformer (Second Order) has been performed in accordance with the terms of the contract and recommends that the District accept the work. The final cost for the North Second Substation Transformer was \$878,544 (excluding sales tax).

District staff has determined that the completion of all contract work for the Supply of the North Shore Substation Transformer (Second Order) occurred on September 6, 2023. In accordance with the terms of the contract, retainage in an amount not exceeding 5% of the order 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 for the Supply of the North Shore Substation Transformer and recommends the District authorize the payment of retainage due the Contractor.

The General Manager of the District concurs with staff's recommendations that Field Work Order/Change Order Nos. 4 through 7 be ratified, and that Field Work Order/Change Order No. 8 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. 4 through 7 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 total project budget of \$2,200,000 is authorized for the Plain Transformer Replacement Project.

Section 3. The General Manager of the District is hereby authorized to execute Field Work Order/Change Order No. 8. A copy of the Field Work Order/Change Order shall be on file in the offices of the District.

Section 4. All the contract work required under Negotiated Contract No. 18-67 for the supply of the North Shore Substation Transformer (Second Order) was completed on September 6, 2023, and the same is hereby accepted, subject to Section 4 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 5 and Section 6 hereof, and subject to the provisions and limitations of 60.28 (Liens for Labor, Materials and Taxes).

Section 5. 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 6. After the expiration of the forty-five (45) day period for giving the District notice of lien 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 claims, expenses and fees have not been paid, the General Manager is authorized and directed to withhold an amount equal to 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 18th day of September 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NO. 2-GMP3, AND AUTHORIZING THE ISSUANCE OF A GMP AMENDMENT NO. 6 TO NORTHBANK CIVIL AND MARINE, INC. OF VANCOUVER, WA TO PROVIDE A GMP AND SCHEDULE FOR THE UPGRADE OF THE FOURTH UNIT (U3) AND HPU MODIFICATIONS ON UNITS U1 AND U2 UNDER CONTRACT NO. 20-14 FOR THE ROCK ISLAND POWERHOUSE NO. 2 DRAFT TUBE GATE CYLINDER AND HYDRAULIC POWER UNIT UPGRADE

FACTUAL BACKGROUND AND REASONS FOR ACTION

On May 11, 2020, by Resolution No. 20-14451, the Commission of the District authorized the General Manager to invite sealed proposals to provide Design-Build services to the District in support of a planned upgrade to the draft tube gate system on all eight (8) units in Rock Island Dam Powerhouse No. 2. The upgrade includes replacement of the two (2) hydraulic cylinders and hydraulic power unit for each generating unit, replacement of piping due to poor condition, and procurement of some new components to mitigate schedule impacts and risk of unrepairable items. This work is scheduled with existing unit outages which began in 2022 and is planned to be completed in 2025.

On February 16, 2021, by Resolution No. 21-14532, the Commission of the District authorized the General Manager to enter into a Design-Build contract (Contract No. 20-14) with Northbank Civil and Marine, Inc. In addition to the general terms and conditions, the Contract authorized \$632,927.00 for preconstruction services.

Previously Approved GMP Amendments and Field Work Order/Change Orders

On April 5, 2021, by Resolution No. 21-14550, the Commission of the District authorized the General Manager to enter into the GMP Amendment No. 1 to procure and manufacture two sets of hydraulic cylinders and two hydraulic power units (HPU) for an amount of \$1,234,365.62. The revised overall Contract Sum was \$1,867,292.62.

On March 7, 2022, by Resolution No. 22-14642, the Commission of the District ratified Field Work Order/Change Order (FWO/CO) Nos. 1, 1-PC, 2-PC, 3-PC, 1-GMP1, 2-GMP1, 3-GMP1, and 4-GMP1 that reduced the Contract Sum for GMP Amendment No. 1 by \$115,758.87 and authorized the General Manager to enter into the GMP Amendment No. 2 for Units U1 and U2 Draft Tube Gate Cylinder and HPU

Upgrade for an amount of \$1,675,089.14. The new overall Contract Sum was \$3,426,622.89, excluding sales tax.

On April 4, 2022, by Resolution No. 22-14650, the Commission of the District authorized the General Manager to enter into the GMP Amendment No. 3 for an amount of \$1,440,570.74 to procure the raw material for Units U3 through U8 long lead components for Rock Island Powerhouse No. 2 Draft Tube Gate Cylinder and HPU Upgrade. The revised overall Contract Sum after execution of the GMP Amendment No. 3 was \$4,867,193.63, excluding sales tax.

On October 3, 2022, by Resolution No. 22-14698, the Commission of the District ratified FWO/CO Nos. 5-GMP1, 6-GMP1, 7-GMP1, 1-GMP2 and 2-GMP2 that increased the overall Contract Sum by \$57,109.44 for a revised overall Contract Sum of \$4,924,303.07, excluding sales tax. The Commission of the District also authorized the General Manager to enter into the GMP Amendment No. 4 for an amount of \$3,521,541.43 to procure and manufacture the long lead components for the remaining Units U3 through U8 for Rock Island Powerhouse No. 2 Draft Tube Gate Cylinder and HPU Upgrade. The revised overall Contract Sum after execution of the GMP Amendment No. 4 was \$8,445,844.50, excluding sales tax.

On May 22, 2023, by Resolution No. 23-14770, the Commission of the District ratified FWO/CO Nos. 8-GMP1, 3-GMP2, 4-GMP2, 5-GMP2, 1-GMP3, 1-GMP4 and 2-GMP4 that reduced the overall Contract Sum by \$156,710.51 for a revised overall Contract Sum of \$8,289,133.99, excluding sales tax. The Commission of the District also authorized final acceptance of work performed under Preconstruction Services phase, GMP Amendment No. 1, GMP Amendment No. 2, and the issuance of GMP Amendment No. 5 for Unit U8 Draft Tube Gate Cylinder and HPU Upgrade for an amount of \$1,084,851.65. The revised overall Contract Sum after execution of GMP Amendment No. 5 was \$9,373,985.64, excluding sales tax.

Executed FWO/CO to be Ratified

FWO/CO No. 2-GMP3 deducted the unused allowance of \$129,645.36 from the Contract Sum for GMP Amendment No. 3, for a revised Contract Sum for GMP Amendment No. 3 of \$1,310,925.38, excluding sales tax. The revised overall Contract Sum is \$9,244,340.28, excluding sales tax. It was executed on August 17, 2023 and is on file in the offices of the District.

Proposed GMP Amendment No. 6 for Approval

The work has progressed to a point where Northbank Civil and Marine Inc. can provide a Guaranteed Maximum Price and schedule for the upgrade of the fourth unit (U3). Therefore, the District and Northbank Civil and Marine, Inc. have agreed to move forward with GMP Amendment No. 6, which includes the replacement of two (2) hydraulic cylinders, HPU, system piping, and hydraulic oil with an environmentally acceptable lubricant for Unit U3. The HPU modifications on Units U1 and U2 are also

included in this GMP Amendment which cover relocation of the oil level transducer and level switch on the HPUs.

District staff recommend execution of GMP Amendment No. 6 with Northbank Civil and Marine, Inc. for an amount of \$828,272.97 for Rock Island Powerhouse No. 2 Unit U3 Draft Tube Gate Cylinder and HPU Upgrade and Units U1 and U2 HPU modifications. The revised overall Contract Sum after execution of GMP Amendment No. 6 will be \$10,072,613.25, excluding sales tax. The General Manager of the District concurs with 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 No. 2-GMP3 was properly executed pursuant to the authority delegated by Resolution No. 17-14215 and said Field Work Order/Change Order is hereby formally acknowledged and ratified.

Section 2. The General Manager of the District is hereby authorized to execute GMP Amendment No. 6 with Northbank Civil and Marine, Inc. to upgrade the fourth unit (U3) and perform Units U1 and U2 HPU modifications under Contract No. 20-14 for Rock Island Powerhouse No. 2 Draft Tube Gate Cylinder and HPU Upgrade. The Contract Sum for GMP Amendment No. 6 shall not exceed \$828,272.97, for a total revised overall Contract Sum of \$10,072,613.25, excluding sales tax. A copy of the contract will be on file in the offices of the District.

DATED this 18th day of September 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1-DBA, 1-PC, 2-PC, 3-PC, 1-GMP1, 2-GMP1, AND 1-GMP2 AND FURTHER AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER THE PRE-CONSTRUCTION SERVICES PHASE AND GUARANTEED MAXIMUM PRICE (GMP) AMENDMENT NO. 1, AND FURTHER AUTHORIZING THE ISSUANCE OF GMP AMENDMENT NO. 3 TO OLSSON INDUSTRIAL ELECTRIC, INC. OF SPRINGFIELD, OREGON FOR GENERATOR LEAD REPLACEMENT OF UNITS U-3 AND U-5 FOR THE ROCK ISLAND POWERHOUSE NO. 2 - GENERATOR LEAD REPLACEMENT PROJECT (CONTRACT NO. 20-18)

FACTUAL BACKGROUND AND REASONS FOR ACTION

On May 11, 2020, by Resolution No. 20-14452, the Commission of the District authorized the General Manager to invite sealed proposals to provide design-build services to the District in support of the replacement of the generator main leads on all eight (8) units in Rock Island Powerhouse No. 2. This project includes the replacement of the cable bus, supports and terminations for each unit. The work is scheduled with existing unit outages and began in 2022 and is planned to be completed by 2025.

On April 19, 2021, by Resolution No. 21-14556, the Commission of the District authorized the General Manager to enter into a Design-Build Agreement (DBA) (Contract No. 20-18) with Olsson Industrial Electric, Inc. In addition to the general terms and conditions, the Contract authorized \$314,355.00 for Pre-Construction services. FWO/CO No. 3-PC, which will be ratified in this Resolution, reflects a reduction the final Contract price by \$79,916.07 to reflect actual costs for the Pre-Construction phase resulting in a final price for Pre-Construction of \$234,438.93.

On December 2, 2021, by Resolution No. 21-14610, the Commission of the District authorized the General Manager to enter into GMP Amendment No. 1 with Olsson Industrial Electric, Inc. in the amount of \$777,756.79 for the construction of Rock Island Powerhouse No. 2 - Generator Lead Replacement Unit U-2.

On July 18, 2022, by Resolution No. 22-14679, the Commission of the District authorized the General Manager to enter into GMP Amendment No. 2 with Olsson Industrial Electric, Inc. in the amount of \$1,323,377.89 for the Rock Island Powerhouse No. 2 – Cable Bus System Long Lead Items.

The work in FWO/CO Nos. 1-DBA, 1-PC, 2-PC, 3-PC, 1-GMP1, 2-GMP1, and 1-GMP2 consist 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 Nos. 1-DBA, 1-PC, 2-PC, 3-PC, 1-GMP1, 2-GMP1, and 1-GMP2, which are on file in the offices of the District and summarized as follows:

FWO/CO No.	Description	FWO/CO Amount	Revised Total Contract Price
Design-Build Agreement			
1-DBA	Update Technical Specifications	\$0	\$0
Pre-Construction			
1-PC	Revise Time of Completion	\$0	
2-PC	Revise Time of Completion	\$0	
3-PC	Final Accounting to Remove Unused Portion of Pre-Construction	-\$79,916.07	\$234,438.93
GMP 1 - Generator Lead Replacement - Unit U-2			
1-GMP1	Revise Time of Completion	\$0	
2-GMP1	Testing Delay and Savings Sharing	-\$28,063.16	749,693.63
GMP 2 - Cable Bus System Long Lead Items			
1-GMP2	Revise Time of Completion	\$0	\$1,323,377.89
Total		-\$107,979.23	\$2,307,510.45

Field Work Order/Change Order Nos. 1-DBA, 1-PC, 2-PC, 3-PC 1-GMP1, 2-GMP1, and 1-GMP2 result in a net decrease in the contract price of \$107,979.23 for a revised total price of \$2,307,510.45, excluding sales tax, which the District's Engineers recommend be ratified.

The District and Olsson Industrial Electric, Inc. have determined that it is in the best interest of the Project to proceed with Generator Lead Replacement for Units U-3 and U-5 for the Rock Island Powerhouse No. 2 – Generator Lead Replacement Project.

District's staff recommends execution of the GMP Amendment No. 3 with Olsson Industrial Electric, Inc. in the amount of \$1,027,491.69, excluding sales tax, for the Rock Island Powerhouse No. 2 – Generator Lead Replacement – Units U-3 and U-5. The revised overall Contract amount after execution of GMP Amendment No. 3 will be \$3,335,002.14, excluding sales tax.

Additionally, District staff has determined that all contract work under the Pre-Construction services phase and GMP Amendment No. 1 has been completed and recommends that the District accept the work performed by the Contractor under the Pre-Construction Services phase and GMP Amendment No. 1 and authorize the release of retainage.

The General Manager of the District concurs with District staff's recommendations to ratify the above-listed Field Work Order/Change Orders, approve

GMP Amendment No. 3 and accept work for the Pre-Construction phase, and GMP Amendment No. 1

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 Guaranteed Maximum Price Amendment No. 3 with Olsson Electric, Inc. in the amount not to exceed \$1,027,491.69 without prior Commission approval or as authorized by delegation Resolution 17-14215. A copy of the Agreement is on file in the offices of the District.

Section 2. The Commission finds that Field Work Order/Change Order Nos. 1-DBA, 1-PC, 2-PC, 3-PC, 1-GMP1, 2-GMP1, and 1-GMP2 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 3. All the contract work required under Contract No. 20-18, Pre-Construction Services phase and GMP Amendment No. 1 was completed on August 10, 2023 and the same is hereby accepted, subject to Section 4 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 4 and Section 5 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 4. 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 5. 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 18th day of September 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AMENDMENT
NO. 2 TO SERVICES AGREEMENT (SA-TA NO. 22-
12268) WITH MCMILLEN, INC. TO PROVIDE
ROCK ISLAND SPILLWAY MODERNIZATION
PROGRAM MANAGEMENT SERVICES

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District entered into a Services Agreement (SA No. 22-12268) on May 22, 2022, with McMillen, LLC DBA McMillen Jacobs Associates to provide Rock Island Spillway Modernization Program Management in an amount not to exceed \$300,000. The Services Agreement is for a multi-year program (Program) to modernize the Rock Island Spillway equipment and operations. The Program consists of improvements for dam safety, operational efficiency, replacement of existing equipment, seismic upgrades, concrete structures repairs, and coordination with the District's FERC relicensing team. The Contractor will provide program management services to integrate the various initiatives related to this Program to assist in prioritizing needed improvements, develop a comprehensive schedule, and communicate with the respective stakeholders.

Amendment No. 1 was subsequently executed on December 15, 2022 to reflect Contractor's business name change to McMillen, Inc.

District staff is advancing the Program and has identified the need for additional services described above under SA-TA 22-12268. This includes, but is not limited to, a spillway condition assessment, gantry crane electrical system study, and design of additional spillway components including over-under gate design and construction. Resolution No. 17-14215 requires that the Commission, by resolution, authorize Amendments to Service Agreements when the Amendment increases the total contract price to over \$500,000.

District staff recommends that it is in the best interest of the District to amend Services Agreement No. 22-12268 with McMillen, Inc., to increase the not to exceed amount by \$2,000,000, for a total revised contract price not to exceed \$2,300,000 and extend the Contract Term to March 31, 2027.

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 Amendment No. 2 to Services Agreement (SA-TA No.22-12268) with McMillen, Inc., to provide the additional services identified above and extend the Contract Term to March 31, 2027. The revised contract price will not exceed \$2,300,000 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 18th day of September 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION REJECTING ALL BIDS AND DECLARING THAT NO BIDS WERE RECEIVED FOR ROCKWELL AUTOMATION / ALLEN BRADLEY CONTROL EQUIPMENT (BID NO. 23-12931) AND AUTHORIZING THE SUPPLY OF ROCKWELL AUTOMATION / ALLEN BRADLEY CONTROL EQUIPMENT 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 the supply of Rockwell Automation/Allen Bradley control equipment. The purchase of Rockwell Automation/ Allen Bradley control equipment is necessary for the Rocky Reach juvenile fish bypass control system refurbishment scheduled to begin construction in the fourth quarter of 2024. The refurbishment project scope is to replace all aging and unsupported SCADA and control hardware.

On August 1, 2023, an invitation for sealed bids was published in accordance with RCW 54.04.070 to provide Rockwell Automation/Allen Bradley Control Equipment. Bid proposals were opened on August 30, 2023, at 2:00 P.M. Pacific Time in the offices of the District.

Two (2) bids were received (excluding sales tax) as tabulated on Exhibit A attached. The bid proposals did not meet all statutory requirements. One bid proposal did not supply a bid bond or cashier's check with their sealed bid. The second bid proposal included material exceptions 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. 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 Rockwell automation/Allen Bradley control equipment 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. All bids received to furnish the Rockwell Automation /Allen Bradley control equipment (Bid No. 23-12931) are rejected. District staff is authorized to obtain the Rockwell Automation/Allen Bradley control equipment 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 18th day of September 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

EXHIBIT A
Bid Tabulation**23-12931 – Rockwell Automation/Allene Bradley Control Equipment**

Bidder Name City, State	Bid Bond/ Cashier's Check	Bid Amount
Consolidated Electrical Distributors, Inc. dba Columbia Electric Supply Yakima, WA	Did not provide	\$162,962.09
GE Renewables US LLC Greenwood Village, CO	Bid Bond	\$163,443.31