

COMMISSION MEETING AGENDA  
PUBLIC UTILITY DISTRICT NO. 1 OF DOUGLAS COUNTY  
EAST WENATCHEE, WASHINGTON  
July 9, 2018 – 1:30 P.M.

1. Flag Salute
2. Minutes
3. Vouchers
4. Public Comment
5. Bid Opening Results – July 2, 2018 – Bid Document 18-25-D, Supply and Deliver Control and Relay Panels for the Lone Pine Substation
6. Bid Opening Results – July 9, 2018 – Bid Document 18-27-W, Construct Conklin Landing RV Park
7. Resolution Authorizing an IPTV Transport Rights Agreement with the Television Network – Sportsman Channel, Inc.
8. Resolution Authorizing Award of Contract 18-28-D to Electrical Power Products, Inc. to Supply and Deliver Control and Relay Panels for the Lone Pine Substation
9. Resolution Authorizing Award of Contract 18-03-W to Virginia Transformer Corporation to Supply Two 14.4 KV to 480V, 2MVA, Dry Type Transformers for the Wells Hydroelectric Project
10. Resolution Authorizing Award of Contract 18-19-W to Hancock Sandblast and Paint to Rehabilitate Unit 2 Trashracks at the Wells Hydroelectric Project
11. Resolution Authorizing a Call for Bids Under Bid Document 18-20-W, East and West Embankment Field Exploration at the Wells Hydroelectric Project
12. Resolution Authorizing Change Order No. 1 to Task Order No. 4-03 Under the Master Consulting Services Agreement with Stantec Consulting Services, Inc.
13. Resolution Authorizing a Professional Service Agreement with Quality Training Systems for Completion of the System Operator Training Program
14. Resolution Authorizing Award of Contract 18-27-W, Construct Conklin Landing RV Park
15. Resolution Authorizing Amendment No. 1 to the Cooperative Work Agreement with U.S. Department of Agriculture Regarding Replacement of Avian Exclusionary Wires at Wells Dam
16. Resolution Approving Facility Use Agreement with the Spokane Tribe of Indians
17. Claim for Damages – Tom Jess
18. Financial and Statistical Report – Distribution System – May 2018
19. Budget Report – Distribution System – May 2018
20. Treasurer’s Report – Distribution System – June 2018

21. Treasurer's Report – Wells Project – June 2018
22. Preliminary Disturbance Reports
23. Other
24. Trips
25. Minutes
26. Executive Session: RCW 42.30.110(1)(i)

Draft Pre-decisional Document

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

**A RESOLUTION AUTHORIZING AN IPTV TRANSPORT RIGHTS AGREEMENT WITH THE TELEVISION NETWORK – SPORTSMAN CHANNEL, INC.**

**RECITALS:**

- 1) The District operates a video headend that provides Internet Protocol Television (IPTV) service to retail service providers.
- 2) Sportsman Channel, Inc. (“Sportsman”) is requiring the District to renew the existing video transport agreements to continue receiving Sportsman content.
- 3) District Staff have negotiated terms for a new IPTV Transport Rights Agreement with Sportsman.
- 4) It is in the best interest of the District to enter into the IPTV Transport Rights Agreement with Sportsman.

**NOW, THEREFORE, BE IT RESOLVED** by the Commission of Public Utility District No. 1 of Douglas County, Washington, that the District's General Manager is authorized to sign an IPTV Transport Rights Agreement with Sportsman.

**ADOPTED** this 9th day of July, 2018.

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Ronald E. Skagen, President

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Aaron J. Viebrock, Vice President

**ATTEST:**

\_\_\_\_\_  
Molly Simpson, Secretary

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

**A RESOLUTION AUTHORIZING AWARD OF CONTRACT  
18-28-D TO ELECTRICAL POWER PRODUCTS, INC. TO  
SUPPLY AND DELIVER CONTROL AND RELAY PANELS FOR  
THE LONE PINE SUBSTATION**

**RECITALS:**

1) By Resolution No. 18-098 dated May 29, 2018, the District called for bids under Bid Document 18-28-D, Supply and Deliver Control and Relay Panels for the Lone Pine Substation.

2) On July 2, 2018 the District opened two bids as follows:

<u>Bidder</u>	<u>Total for Bid Comparison</u>
Electrical Power Products, Inc. Des Moines, IA	\$ 97,998.00
RSI Global Harvey, LA	\$105,028.00
Engineer's Estimate	\$124,000.00

3) District staff have reviewed the bids and found that the bid from Electrical Power Products, Inc. meets all terms and conditions of Bid Document 18-28-D. A review of the bidder's experience, qualifications, financial and work references verified that this company fulfills all necessary requirements and staff recommends award of Contract 18-28-D to Electrical Power Products, Inc.

4) It is in the best interests of the District to award Contract 18-28-D to the lowest responsive bidder, Electrical Power Products, Inc. with an authorized expenditure of \$97,998.00 (ninety-seven thousand nine hundred ninety-eight dollars).

**NOW, THEREFORE, BE IT RESOLVED** by the Commission of Public Utility District No. 1 of Douglas County, Washington, that Contract 18-28-D is awarded to Electrical Power Products, Inc. The General Manager is authorized to issue a Contract with Electrical Power Products, Inc. subject to the filing of the Contract and a Performance and Payment Bond in accordance with the District's specifications and which contract and bond are to be in a form that is satisfactory to the District.

**ADOPTED** this 9th day of July, 2018.

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Ronald E. Skagen, President

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Aaron J. Viebrock, Vice President

**ATTEST:**

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Molly Simpson, Secretary

Draft Pre-decisional Document

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

**A RESOLUTION AUTHORIZING AWARD OF CONTRACT  
18-03-W TO VIRGINIA TRANSFORMER CORPORATION  
TO SUPPLY TWO 14.4 KV TO 480V, 2MVA, DRY TYPE  
TRANSFORMERS FOR THE WELLS  
HYDROELECTRIC PROJECT**

**RECITALS:**

1) By Resolution No. 18-077 dated April 23, 2018, the District called for bids under Bid Document 18-03-W, Supply Two 14.4 KV to 480V, 2MVA, Dry Type Transformers for the Wells Hydroelectric Project.

2) On May 29, 2018, after due and proper notice, the District opened the following bids:

<u>Bidder</u>	<u>Total for Bid Comparison</u>
Virginia Transformer Corporation Arlington, WA	\$104,944.00
Engineer's Estimate	\$117,000.00

3) District staff has reviewed the bid and found that the bid from Virginia Transformer Corporation meets all terms and conditions of Bid Document 18-03-W. A review of the bidder's experience, qualifications, financial and work references verified that this company fulfills all necessary requirements and staff recommends award of Contract 18-03-W to Virginia Transformer Corporation.

4) It is in the best interests of the District to award Contract 18-03-W to the lowest responsive bidder, Virginia Transformer Corporation, with an authorized expenditure of \$104,944.00 (One Hundred Four Thousand Nine Hundred Forty Four Dollars) plus sales tax.

**NOW, THEREFORE, BE IT RESOLVED** by the Commission of Public Utility District No. 1 of Douglas County, Washington, that Contract 18-03-W is awarded to Virginia Transformer Corporation. The General Manager is authorized to issue a Contract with Virginia Transformer Corporation subject to the filing of the Contract and

a Performance and Payment Bond in accordance with the District's specifications and which contract and bond are to be in a form that is satisfactory to the District.

**ADOPTED** this 9th day of July, 2018.

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Ronald E. Skagen, President

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Aaron J. Viebrock, Vice President

**ATTEST:**

\_\_\_\_\_  
Molly Simpson, Secretary

Draft Pre-decisional Document

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

**A RESOLUTION AUTHORIZING AWARD OF CONTRACT  
18-19-W TO HANCOCK SANDBLAST & PAINT TO  
REHABILITATE UNIT 2 TRASHRACKS AT THE  
WELLS HYDROELECTRIC PROJECT**

**RECITALS:**

1) By Resolution No18-092 dated May 14, 2018, the District called for bids under Bid Document No. 18-19-W, Rehabilitate Unit 2 Trashracks at the Wells Hydroelectric Project.

2) On June 25, 2018, the District opened the following bids:

<u>Bidder</u>	<u>Total for Bid Comparison</u>
Hancock Sandblast & Paint LLC Pasco, WA	\$ 230,000.05
Extreme Coatings, Inc. Pasco, WA	\$3,484,000.00
Long Painting Company Kent, WA	\$ 360,000.00
Engineer's Estimate	\$ 293,000.00

3) District staff has reviewed the bids and found that the bid from Hancock Sandblast & Paint meets all terms and conditions of Bid Document 18-19-W. A review of the bidder's experience, qualifications, financial, and work references verified that this company fulfills all necessary requirements and staff recommends award of Contract 18-19-W to Hancock Sandblast & Paint.

4) It is in the best interests of the District to award Contract 18-19-W to the lowest responsive bidder, Hancock Sandblast & Paint with an authorized expenditure of \$230,000.05 (two hundred thirty thousand dollars and five cents).

**NOW, THEREFORE, BE IT RESOLVED** by the Commission of Public Utility District No. 1 of Douglas County, Washington, that Contract 18-19-W is awarded to Hancock Sandblast & Paint. The General Manager is authorized to issue a Contract with Hancock Sandblast & Paint subject to the filing of the Contract and a Performance and



Payment Bond in accordance with the District's specifications and which contract and bond are to be in a form that is satisfactory to the District.

**ADOPTED** this 9th day of July, 2018.

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Ronald E. Skagen, President

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T. James Davis, Vice President

**ATTEST:**

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Molly Simpson, Secretary

Draft Pre-decisional Document

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

**A RESOLUTION AUTHORIZING A CALL FOR BIDS UNDER BID DOCUMENT 18-20-W, EAST AND WEST EMBANKMENT FIELD EXPLORATION AT THE WELLS HYDROELECTRIC PROJECT**

**RECITALS:**

1) Exploratory drilling is required to assess potential liquefaction of the underwater placed core materials and underlying alluvial materials on the east and west embankments at the Wells Hydroelectric Project.

2) Staff recommends that the District solicit bids in compliance with RCW 54.04.070 to provide drilling exploration in accordance with the specifications, terms and conditions of Bid Document 18-20-W, East and West Embankment Field Exploration at the Wells Hydroelectric Project. Sealed bids will be accepted until August 27, 2018, at 1:30 p.m. Pacific Time in the District's East Wenatchee headquarters office.

3) It is in the best interests of the District to issue a call for bids under Bid Document 18-20-W, East and West Embankment Field Exploration at the Wells Hydroelectric Project.

**NOW, THEREFORE, BE IT RESOLVED** by the Commission of Public Utility District No. 1 of Douglas County, Washington, that Bid Document 18-20-W is hereby approved, and the District's General Manager is hereby authorized and directed to issue a call for bids.

**ADOPTED** this 9th day of July, 2018.

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Ronald E. Skagen, President

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Aaron J. Viebrock, Vice President

**ATTEST:**

\_\_\_\_\_  
Molly Simpson, Secretary

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING CHANGE ORDER NO. 1 TO TASK ORDER  
NO. 4-03 UNDER THE MASTER CONSULTING SERVICES AGREEMENT  
WITH STANTEC CONSULTING SERVICES, INC.**

**RECITALS:**

1. Resolution 05-223 authorized a Master Consulting Services Agreement with MWH Americas, Inc., for construction engineering in connection with rebuilding the Wells Project generating units. Resolution 17-006 approved assignment of the master services agreement to Stantec Consulting Services, Inc. Services under the master agreement are authorized by individual task orders.

2. Resolutions authorizing Task Orders are as follows:

Resolution 05-223	Task Order No. 1, Project Management	\$ 340,000
Resolution 07-022		
Resolution 07-138		
Resolution 05-280	Task Order No. 2, Unit 1 Repair	\$ 500,000
Resolution 06-110	Task Order No. 3, Generating Unit Life Extension	\$ 396,000
Resolution 07-213	Task Order No. 4, Contract	\$ 5,600,000
Resolution 09-201	Administration of U1-U10 Rebuild	
Resolution 11-062	Contract 06-41-W	
Resolution 12-221		
Resolution 14-034		
Resolution 15-025	Task Order No. 4-02	\$ 2,300,000
Resolution 15-240		
Resolution 16-155		
Resolution 17-056	Task Order No. 4-03	\$ 1,800,000
Resolution 09-037	Task Order No. 5, Balance of Plant	\$ 370,000
Resolution 15-157	Refurbishment and Upgrade	
Resolution 17-142		
Resolution 09-038	Task Order No. 6, Resident Engineer and Construction Management	\$ 1,725,000
Resolution 11-062		
Resolution 12-221		
Resolution 15-089	Task Order No. 6-02	\$ 850,000
Resolution 16-155		
Resolution 17-056	Task Order No. 6-03	\$ 700,000
Resolution 09-120	Task Order No. 7, Equipment Shop	\$ 750,000
Resolution 16-155	Inspections and Reporting	
Resolution 17-056	Task Order No. 7-03	\$ 175,000
		\$15,506,000

3. Compensation for services under Task Order No. 4-03 is approaching the authorized not-to-exceed amount. Change Order No. 1 to Task Order No. 4-03 has been prepared to increase the not-to-exceed compensation for contract administration for the completion of the third unit from \$1,800,000 to \$3,000,000.

4. District staff recommends approval of Change Order No. 1 to Task Order No. 4-03, which would increase the total not-to-exceed compensation for Task Order No. 4 to \$10,900,000. The total not-to-exceed compensation for the Master Consulting Services Agreement with Stantec will increase to \$16,706,000.

**NOW, THEREFORE, BE IT RESOLVED** by the Commission of Public Utility District No. 1 of Douglas County, Washington, that Change Order No. 1 to Task Order No. 4-03 of the Master Consulting Services Agreement with Stantec Consulting Services, Inc., is hereby approved. The total not-to-exceed compensation for the Master Consulting Services Agreement will increase to \$16,706,000.

**ADOPTED** this 9th day of July, 2018

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Ronald E. Skagen, President

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Aaron J. Viebrock, Vice President

**ATTEST:**

\_\_\_\_\_  
Molly Simpson, Secretary

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

**A RESOLUTION AUTHORIZING A PROFESSIONAL SERVICE AGREEMENT  
WITH QUALITY TRAINING SYSTEMS FOR COMPLETION OF THE SYSTEM  
OPERATOR TRAINING PROGRAM**

**RECITALS:**

1) During the District's NERC/WECC audit in 2014, the audit team identified System Operator training as an area of concern and recommended that the District develop and document a training program for operations personnel.

2) District staff recommends approval of a contract with Quality Training Systems to assist the District in creating all training materials and documentation necessary for completion of the District's System Operator Training Program.

3) It is in the best interests of the District to enter into a Professional Service Agreement with Quality Training Systems for the completion of the District's System Operator Training Program.

**NOW, THEREFORE, BE IT RESOLVED** by the Commission of Public Utility District No. 1 of Douglas County, Washington, that the District's General Manager is hereby authorized and directed to enter into a Professional Service Agreement with Quality Training Systems for completion of the District's System Operator Training Program, the cost of which is not to exceed \$88,482.00 with an expiration date of July 1, 2019.

**ADOPTED** this 9th day of July, 2018.

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Ronald E. Skagen, President

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Aaron J. Viebrock, Vice President

**ATTEST:**

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Molly Simpson, Secretary

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

**A RESOLUTION AUTHORIZING AWARD OF CONTRACT  
18-27-W TO COMPANY OR CONTRACTOR TO CONSTRUCT  
CONKLIN LANDING RV PARK**

**RECITALS:**

1) By Resolution No. 18-108 dated June 11, 2018, the District called for bids under Bid Document 18-27-W, Construct Conklin Landing RV Park.

2) On July 9, 2018 the District opened number bids as follows:

<u>Bidder</u>	<u>Total for Bid Comparison</u>
<u>Company or Contractor</u> <u>City, State</u>	\$
Engineer's Estimate	\$

3) District staff have reviewed the bids and found that the bid from Company or Contractor meets all terms and conditions of Bid Document 18-27-W. A review of the bidder's experience, qualifications, financial and work references verified that this company fulfills all necessary requirements and staff recommends award of Contract 18-27-W to Company or Contractor.

4) It is in the best interests of the District to award Contract 18-27-W to the lowest responsive bidder, Company or Contractor, with an authorized expenditure of \$Number (words).

**NOW, THEREFORE, BE IT RESOLVED** by the Commission of Public Utility District No. 1 of Douglas County, Washington, that Contract 18-27-W is awarded to Company or Contractor. The General Manager is authorized to issue a Contract with Company or Contractor, subject to the filing of the Contract and a Performance and Payment Bond in accordance with the District's specifications and which contract and bond are to be in a form that is satisfactory to the District.

**ADOPTED** this 9th day of July, 2018.

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Ronald E. Skagen, President

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Aaron J. Viebrock, Vice President

**ATTEST:**

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Molly Simpson, Secretary

Draft Pre-decisional Document

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

**A RESOLUTION AUTHORIZING AMENDMENT NO. 1 TO THE  
COOPERATIVE WORK AGREEMENT WITH U.S. DEPARTMENT OF  
AGRICULTURE REGARDING REPLACEMENT OF AVIAN EXCLUSIONARY  
WIRES AT WELLS DAM**

**RECITALS:**

1) By Resolution No. 18-057 dated March 26, 2018, the District entered into a Cooperative Work Agreement/Work Plan (Agreement) with the U.S. Department of Agriculture (USDA) for the replacement of five avian exclusionary wires over the Wells Dam tailwater.

2) Since the signing of the Agreement, 13 additional wires were lost in high spring runoff. The USDA has submitted an Amendment No. 1 to the Agreement for replacement of these 13 additional wires at a cost of \$6,337, bringing the total not-to-exceed cost to \$21,943.00.

3) District staff recommends approval of Amendment No. 1 to the Cooperative Work Agreement/Work Plan with the USDA.

4) It is in the best interests of the District to sign the Amendment No. 1 to the USDA Agreement for the maintenance of the avian exclusionary wires in the Wells Dam tailwater.

**NOW, THEREFORE, BE IT RESOLVED** by the Commission of Public Utility District No. 1 of Douglas County, Washington, that the District's General Manager is hereby authorized and directed to sign the Amendment No. 1 to the Cooperative Work Agreement/Work Plan with the U.S. Department of Agriculture for the maintenance of the avian exclusionary wires in the Wells Dam tailwater until December 31, 2018.

**ADOPTED** this 9th day of July, 2018.

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Ronald E. Skagen, President

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Aaron J. Viebrock, Vice President

**ATTEST:**

\_\_\_\_\_  
Molly Simpson, Secretary



**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION APPROVING FACILITY USE AGREEMENT  
WITH THE SPOKANE TRIBE OF INDIANS**

**RECITALS:**

1) When the District took over operation of its own hatcheries from WDFW, it assumed responsibility for facilitating disbursement of surplus hatchery fish returning to District facilities, including providing access to District hatcheries for authorized recipients of those fish.

2) The Spokane Tribe of Indians has routinely accessed Wells Hatchery to obtain surplus fish, and seeks to continue such access. District staff has recently negotiated a Facility Use Agreement with the Spokane Tribe that includes facility-use protocols for obtaining surplus hatchery fish at District hatcheries and provides indemnification, security protocols, and damage-claim provisions beneficial to the District.

3) Staff recommends approval of this Agreement, stating that it is in the best interest of the District to enter into the Facility Use Agreement with the Spokane Tribe of Indians, terminating on 31 December 2023.

**NOW, THEREFORE, BE IT RESOLVED** by the Commission of Public Utility District No. 1 of Douglas County, Washington, that the Facility Use Agreement between the District and the Spokane Tribe of Indians is hereby approved and the District's General Manager is hereby authorized and directed to execute said Agreement on behalf of the District.

**ADOPTED** this 9th day of July, 2018.

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Ronald E. Skagen, President

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Aaron J. Viebrock, Vice President

**ATTEST:**

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Molly Simpson, Secretary