

COMMISSION MEETING AGENDA
PUBLIC UTILITY DISTRICT NO. 1 OF DOUGLAS COUNTY
EAST WENATCHEE, WASHINGTON
JULY 25, 2022

12:00 PM Workshop and Lunch

Reports by Staff

1:30 PM Regular Meeting

1. Flag Salute
2. Consent Agenda
 - a. Meeting Minutes of July 11, 2022
 - b. Vouchers
 - c. 22-128 – Resolution Authorizing Acceptance of Work and Final Payment to H2O Well Services, Inc. for the Second Year Under Contract 20-05-W, Hatchery Well and Pump Maintenance
 - d. 22-129 – Resolution Authorizing Change Order No. 2 to Contract 21-09-D, Construct Lincoln Rock Switchyard
 - e. 22-130 – Resolution Authorizing Acceptance of Work and Final Payment to Crown Texas, Inc. Under contract 21-56-D-BID, Control and Relay Panels for Urban Industrial Substation
3. Public Comment
4. 30-Year Service Award – Kim Girdler, Customer Accounting Supervisor
5. Regular Agenda
 - 22-131 – Resolution Authorizing Amendment No. 5 to Professional Service Agreement with Electrical Consultants, Inc.
 - 22-132 – Resolution Authorizing Amendment No. 1 to Professional Service Agreement 21-23-W-PS with Black and Veatch Corporation for Mechanical Engineering Services at the Wells Hydroelectric Project
 - 22-133 – Resolution Affirming Change Order No. 1 to Contract 22-17-W-BID, Methow Hatchery Groundwater Valve Replacement
 - 22-134 – Resolution Affirming The Sole Source Contract Negotiation and Purchase Order for Hydrogen Fueling Equipment
6. Write-off to the Reserve for Uncollectible Accounts – July: \$805
7. Financial and Statistical Report – Distribution System – March and April 2022
8. Budget Report – Distribution System – March and April 2022
9. Financial and Statistical Report – Wells Project – April and May 2022

10. Budget Report – Wells Project – April and May 2022
11. Treasurer’s Report – Distribution System – June 2022
12. Treasurer’s Report – Wells Project – June 2022
13. Preliminary Disturbance Reports
14. Other
15. Trips
16. Minutes
17. Executive Session: To Discuss with Legal Counsel Agency Enforcement Actions, Current or Potential Litigation and/or Legal Risks as Authorized by RCW 42.30.110(1)(i)

Draft Pre-decisional Document

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING ACCEPTANCE OF WORK AND
FINAL PAYMENT TO H2O WELL SERVICE, INC. FOR THE
SECOND YEAR UNDER CONTRACT 20-05-W, HATCHERY
WELL AND PUMP MAINTENANCE**

RECITALS:

1) By Resolution No. 20-054 dated March 23, 2020, the District awarded Contract 20-05-W, Hatchery Well and Pump Maintenance to H2O Well Service, Inc.

2) By Resolution No. 21-045 dated March 22, 2021, the District renewed Contract 20-05-W for a second year.

3) District staff reports the Contractor has satisfactorily completed all requirements for the second year of Contract 20-05-W and has recently submitted a Request for Final Payment, Certificate and Release. District staff recommends the District accept the completed work and authorize the release of retainage to H2O Well Service, Inc. in the amount of \$852.30 upon receiving the required notifications from the State of Washington.

4) It is in the best interests of the District to accept the work performed by H2O Well Service, Inc. as complete and authorize final payment under Contract 20-05-W.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that the work under Contract 20-05-W, Hatchery Well and Pump Maintenance is hereby accepted as complete, and that the release of retainage is hereby authorized. This acceptance in no manner waives any claim the District may have against the Contractor for failure to comply with the terms of the contract.

ADOPTED this 25th day of July, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

Draft Pre-decisional Document

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING CHANGE ORDER NO. 2 TO
CONTRACT 21-09-D, CONSTRUCT LINCOLN ROCK
SWITCHYARD**

RECITALS:

- 1) By Resolution No. 21-119 dated July 26, 2021 the District awarded Contract 21-09-D, Construct Lincoln Rock Switchyard to Magnum Power, LLC.
- 2) Change Order No. 2 has been prepared to address the following changes to the work:
 - Disassembly and reassembly of dead-end structures
 - Include additional cables, material and labor
- 3) District staff recommends approval of Change Order No. 2 in the amount of \$45,767.09. Previous change orders, in addition to this change order, bring the total cost of the contract to \$7,033,378.37.
- 4) It is in the best interests of the District to approve Change Order No. 2 to Contract 21-09-D.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that Change Order No. 2 to Contract 21-09-D, Construct Lincoln Rock Switchyard is authorized by the Commission.

ADOPTED this 25th day of July, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING ACCEPTANCE OF WORK
AND FINAL PAYMENT TO CROWN TEXAS, INC. UNDER
CONTRACT 21-56-D-BID, CONTROL AND RELAY PANELS FOR
URBAN INDUSTRIAL SUBSTATION**

RECITALS:

1) By Resolution No. 21-208 dated December 13, 2021, the District awarded Contract 21-56-D-BID, Control and Relay Panels for Urban Industrial Substation to Crown Texas, Inc.

2) District staff report the Contractor has satisfactorily completed all requirements of Contract 21-56-D-BID and has submitted a Request for Final Payment, Certificate and Release. Therefore, staff recommends that the District accept the completed work and authorize final payment in the amount of \$474,600.93 plus tax to Crown Texas, Inc. upon receiving the required notifications from the State of Washington when applicable.

3) It is in the best interests of the District to accept the work as complete and authorize final payment under Contract 21-56-D-BID.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that the work under Contract 21-56-D-BID, Control and Relay Panels for Urban Industrial Substation is hereby accepted as complete, and that final payment is authorized, contingent on receipt by the District of all necessary releases by the State of Washington when applicable. This acceptance in no manner waives any claim the District may have against the Contractor for failure to comply with the terms of the contract.

ADOPTED this 25th day of July, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

Draft Pre-decisional Document

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING AMENDMENT NO. 5 TO
PROFESSIONAL SERVICE AGREEMENT WITH ELECTRICAL
CONSULTANTS, INC.**

RECITALS:

1) Resolution No. 21-019 authorized the District to enter into a Professional Service Agreement with Electrical Consultants, Inc. (ECI) for Electrical Substation Design.

2) This Professional Service Agreement was put in place with an expiration date of December 31, 2023 for new substation design work. The District recently received a quote from ECI for additional work related to the Rocky Reach to Chelan Falls 115 kV Transmission Line, Hydrogen Project, Lincoln Rock Switchyard, Urban Industrial Substation and relay setting work for the Rapids to Columbia 230 kV transmission line.

3) Staff recommends approval of Amendment No. 5 with Electrical Consultants, Inc. Amendment No. 5 will increase the not-to-exceed amount of the project by \$525,000.00 bringing the total amount of the Agreement to \$2,575,000.00.

4) It is in the best interests of the District to issue Amendment No. 5 to amend the Professional Service Agreement with Electrical Consultants, Inc.

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 and directed to issue Amendment No. 5 to the Professional Service Agreement with Electrical Consultants, Inc.

ADOPTED this 25th day of July, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING AMENDMENT NO. 1 TO
PROFESSIONAL SERVICE AGREEMENT 21-23-W-PS WITH BLACK AND
VEATCH CORPORATION FOR MECHANICAL ENGINEERING SERVICES
AT THE WELLS HYDROELECTRIC PROJECT**

RECITALS:

1) Resolution No. 20-178 authorized the District to publish Request for Qualifications 20-23-W, Engineering and Related Services for the Wells Hydroelectric Project. Resolution 21-064 authorized the District to execute Professional Service Agreement 21-23-W-PS, Mechanical Engineering for Class 1 Vertical Leaf Wheeled Spillway Gate at the Wells Hydroelectric Project, with Black and Veatch for a not-to-exceed price of \$250,000.00 and a time performance through December 31, 2023. No changes to the Agreement have previously been authorized.

2) The District has an ongoing need for Mechanical Engineering for Spillway Gates at the Wells Hydroelectric Project. Based on Black and Veatch's original qualifications and the District's continued satisfaction of the work performed by Black and Veatch to date, Amendment 1 has been prepared to increase the not-to-exceed price to \$800,000.00, extend the time performance through December 31, 2024, and adopt an adjusted Rate Schedule for the 2022 calendar year.

3) It is in the best interest of the District to approve Amendment No. 1.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that Amendment No. 1 to Professional Service Agreement 21-23-W-PS with Black and Veatch is hereby approved. The District's General Manager is hereby authorized and directed to execute said Amendment on behalf of the District.

ADOPTED this 25th day of July, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

Draft Pre-decisional Document

RESOLUTION NO. _____

**A RESOLUTION AFFIRMING CHANGE ORDER NO. 1 TO
CONTRACT 22-17-W-BID, METHOW HATCHERY
GROUNDWATER VALVE REPLACEMENT**

RECITALS:

1) By Resolution No. 22-055 dated March 28, 2022, the District awarded Contract 22-17-W-BID, Methow Hatchery Groundwater Valve Replacement to KRCI, LLC.

2) Change Order No. 1 has been prepared due to unforeseen site conditions. KRCI submitted potential Change Order Request No. 1 (PCO-1) for approval to relocate Valves 01-15, modify the excavation methods and installation of new 8" defrost lines.

3) The associated costs for PCO-1 is \$67,081.26 for the additional labor, equipment and material necessary to ensure the safety of the groundwater valve replacement project at Methow Hatchery.

4) It is in the best interest of the District to approve Change Order No. 1 for Contract 22-17-W-BID in the amount of \$67,081.26 for a new not-to-exceed total of \$315,360.26.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that Change Order No. 1 to Contract 22-17-W-BID, Methow Hatchery Groundwater Valve Replacement is affirmed by the Commission.

ADOPTED this 25th day of July, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

RESOLUTION NO. _____

**A RESOLUTION AFFIRMING THE SOLE SOURCE CONTRACT
NEGOTIATION AND PURCHASE ORDER FOR HYDROGEN
FUELING EQUIPMENT**

RECITALS:

1) By Resolution No. 21-168 dated October 11, 2021, the District declared OneH2, Inc. as a sole source for hydrogen fueling equipment. The Resolution also authorized the District to negotiate a contract and issue a purchase order to OneH2, Inc. for the necessary hydrogen fueling equipment.

2) The District has negotiated and issued a purchase order to OneH2, Inc. for the supply and delivery of hydrogen fueling equipment at the District's hydrogen production facility and the District's proposed headquarters fueling facility located on Valley Mall Parkway.

3) District staff recommends affirmation of the sole source contract and purchase order with OneH2, Inc. in the amount of \$2,863,400.00. Completion and delivery date is projected to be July 30, 2023.

4) It is in the best interests of the District to affirm the sole source contract agreement and purchase order for the hydrogen fueling equipment with OneH2, Inc.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that the sole source contract with OneH2, Inc. for hydrogen fueling equipment is affirmed by the Commission.

ADOPTED this 25th day of July, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary