

COMMISSION MEETING AGENDA
PUBLIC UTILITY DISTRICT NO. 1 OF DOUGLAS COUNTY
BRIDGEPORT, WASHINGTON

AUGUST 22, 2022 – 1:30 P.M.

Phone: 408-418-9388, – Video: www.webex.com
Access Code: 2498 577 6709 - Password: fNisMfpp245

1. Flag Salute

2. Consent Agenda

- a. Meeting Minutes of August 8, 2022
- b. Vouchers
- c. 22-142 – Resolution Authorizing an Agreement with the North Central Educational Service District
- d. 22-143 - Resolution Rejecting Bids Under Bid Document 21-53-W-BID, Generator Fire Protection System Upgrades and Miscellaneous Piping at the Wells Hydroelectric Project
- e. 22-144 – Resolution Affirming Change Order No. 1 to Contract 22-16-D-BID, Steel Poles for the Rapids to Valhalla Transmission Line
- f. 22-145 – Resolution Authorizing Award of Contract 22-44-W-BID to Toshiba America Energy Systems to Rehabilitate U5 Trashracks at the Wells Hydroelectric Project
- g. 22-146 – Resolution Authorizing Joint Funding Agreement with U.S. Geological Survey for Water Temperature Data Collection 2022-2025
- h. 22-147 – Resolution Authorizing Approval of Land Use Permit 58A-03, Kory and Stephanie Schertenleib
- i. 22-148 – Resolution Authorizing the Surplus and Salvage of Distribution Transformers and Reclosers

3. Public Comment

4. Regular Agenda

22-149 – Resolution Affirming Change Order No. 7 to Contract 21-33-D-BID, Hydrogen and Lincoln Rock Switchyard Utility Installations

22-150 – Resolution Authorizing Change Order No. 2 to Contract 21-51-D-BID, Fiber Optic Cable Installation – Unit Price Contract

22-151 – Resolution Authorizing a Call for Bids Under Bid Document 22-55-W-BID, Methow Hatchery Residence Re-Bid

22-152 – Resolution Authorizing Amendment No. 3 to Professional Service Agreement with D. Rohr and Associates, Inc.

22-153 – Resolution Authorizing the Purchase of Real Property from MS Harrison Family Trust

22-154 – Resolution Authorizing an Interconnection and Service Agreement with H2 Pre-Cast

22-155 – Resolution Approving Change in Administrative Bulletin 5.13, Travel Policy and Request for Travel Authorization

22-156 – Resolution Authorizing Application for Membership in Energy Northwest

5. Financial and Statistical Report – Wells Project – June 2022
6. Budget Report – Wells Project – June 2022
7. Treasurer’s Report – Distribution System – July 2022
8. Treasurer’s Report – Wells Project – July 2022
9. Preliminary Budget, Electric Distribution System – Calendar Year 2023
10. Preliminary Budget, Wells Hydroelectric Project – Calendar Year 2023
11. Environmental Review – 2023 Distribution and Wells
12. Establish Budget Hearing Date – October 10, 2022 thru December 12, 2022
13. Preliminary Disturbance Reports
14. Other
15. Trips
16. Minutes

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING AN AGREEMENT WITH THE NORTH
CENTRAL EDUCATIONAL SERVICE DISTRICT**

RECITALS:

1) The North Central Educational Service District (NCESD) has presented Public Utility District No.1 of Douglas County (District) an agreement for the 2022-2023 school year wherein the District would continue participation in a program to educate students in Douglas County on energy safety, sources and conservation. All fourth grade students in Douglas County schools will go through the River of Power program.

2) Based on the accomplishments of prior contracts, staff recommends approval of an agreement with the NCESD and participation in said program for the 2022-2023 school year.

3) It is in the best interests of the District to enter into said agreement with the NCESD regarding electricity and water education for the 2022-2023 school year at a cost not to exceed \$35,235.50. This agreement expires on August 31, 2023.

NOW, THEREFORE BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that its General Manager is hereby authorized and directed to sign, on behalf of the District, said agreement with the North Central Educational Service District for the 2022-2023 school year.

ADOPTED this 22nd day of August, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

RESOLUTION NO. _____

**A RESOLUTION REJECTING BIDS UNDER BID DOCUMENT
21-53-W-BID, GENERATOR FIRE PROTECTION SYSTEM
UPGRADES AND MISCELLANEOUS PIPING AT THE
WELLS HYDROELECTRIC PROJECT**

RECITALS:

1) Resolution 22-093, dated May 16, 2022, authorized a Call for Bids under Bid Document 21-53-W-BID, Generator Fire Protection System Upgrades and Miscellaneous Piping at the Wells Hydroelectric Project.

2) On August 8, 2022, after due and proper notice, the District opened the following bids:

Bidder	Bid Schedule A+B (Required to be Awarded Together)	Bid Schedule C	Bid Schedule D (Credit for Award of A+B+C)	Bid Schedule A+B+C+D
Halme Builders	\$4,372,750.00	\$433,000.00	-\$100,000.00	\$4,705,750.00
Syblon Reid	\$4,611,600.00	\$251,000.00	-\$20,000.00	\$4,842,600.00
Engineer's Estimate	\$3,443,000.00	\$404,000.00	-\$10,000.00	\$3,837,000.00
115% Engineer's Estimate	\$3,959,450.00	\$464,600.00	-\$11,500.00	\$4,415,550.00

3) Due to the Scope of Work, the Bid Document requires that Bid Schedules A and B be awarded together; Bid Schedule C may be awarded separately. However, bids reflect that it is in the District's best interest to award all three Bid Schedules together.

4) RCW 54.04.080 prohibits awarding a contract for more than fifteen percent in excess of the estimated cost of the materials or work. All bids are greater than 115% of the Engineer's Estimate; therefore, it is necessary to reject them.

5) It is in the best interests of the District to reject all bids under Bid Document 21-53-W-BID.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that bids be rejected under Bid Document 21-53-W-BID, Generator Fire Protection System Upgrades and Miscellaneous Piping at the Wells Hydroelectric Project.

ADOPTED this 22nd day of August, 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 22-16-D-BID, STEEL POLES FOR THE RAPIDS TO
VALHALLA TRANSMISSION LINE**

RECITALS:

1) By Resolution No. 22-069 dated April 11, 2022, the District awarded Contract 22-16-D-BID, Steel Poles for the Rapids to Valhalla Transmission Line to Transamerica Power Products, Inc.

2) A change to the contract added structural engineering stamps to six structures. The cost of this work increased the value of the contract by \$5,100.00, bringing the new not-to-exceed amount to \$556,951.00.

3) District staff recommends affirmation of Change Order No. 1 in the amount of \$5,100 for a new not-to-exceed total of \$556,951.00.

4) It is in the best interests of the District to affirm Change Order No. 1 to Contract 22-16-D-BID.

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 22-16-D-BID, Steel Poles for the Rapids to Valhalla Transmission line is affirmed by the Commission.

ADOPTED this 22nd day of August, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING AWARD OF
CONTRACT 22-44-W-BID TO TOSHIBA AMERICA ENERGY
SYSTEMS TO REHABILITATE U5 TRASHRACKS AT
THE WELLS HYDROELECTRIC PROJECT**

RECITALS:

1) Resolution No. 22-125, dated July 11, 2022, authorized a Call for Bids for Bid Document 22-44-W-BID, Rehabilitate U5 Trashracks at the Wells Hydroelectric Project.

2) Bids were accepted until August 8, 2022 at 1:30 PM PST. The following bids were received:

<u>Bidder</u>	<u>Total for Bid Comparison</u>
Hancock Sandblast & Paint, LLC	\$244,000.00
Toshiba America Energy Systems (TAES)	\$214,995.00
Engineer's Estimate	\$225,000.00

3) District staff has reviewed the bids and found that the bid from TAES meets all terms and conditions of Bid Document 22-44-W-BID and all addendums. A review of the TAES's experience, qualifications, financial and work references verified that this company fulfills all necessary requirements and staff recommends award of Contract 22-44-W-BID to TAES.

4) It is in the best interests of the District to award Contract 22-44-W-BID to the lowest responsive bidder, TAES, with an authorized expenditure of two hundred fourteen thousand nine hundred ninety-five dollars (\$214,995.00), plus sales tax.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that Contract 22-14-W-BID is awarded to TAES. The General Manager is authorized to enter into a Contract with TAES, 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 22nd day of August, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

Draft Pre-decisional Document

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING JOINT FUNDING
AGREEMENT WITH U.S. GEOLOGICAL SURVEY FOR WATER
TEMPERATURE DATA COLLECTION 2022-2025**

RECITALS:

- 1) The Washington State Department of Ecology's Clean Water Act section 401 Water Quality Certification (401 Certification) and the Federal Energy Regulatory Commission License (FERC) License for the Wells Project requires the District to monitor water temperatures at three boundary locations on the Wells Project and the Wells Forebay.
- 2) Data collected by U.S. Geological Survey (USGS) meets stringent quality assurance and quality control requirements identified in the District's 401 Certification.
- 3) It is in the best interest of the District to enter into a three year Joint Funding Agreement with USGS to meet the 401 Certification and the FERC License requirements for the Wells Project.

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 Joint Funding Agreement with the U.S. Geological Survey for the operation and maintenance of water temperature stations, and the collection and posting of water temperature data on the USGS website with a cost that is not-to-exceed \$75,472. The commencement date will be October 1, 2022 and will expire September 30, 2025.

ADOPTED this 22nd day of August, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING APPROVAL OF LAND USE
PERMIT 58A-03, KORY AND STEPHANIE SCHERTENLEIB**

RECITALS:

1) The District has implemented a Land Use Policy which requires adjacent land owners wishing to use properties associated with the Wells Hydroelectric Project to obtain approval through a District issued permit.

2) District personnel recommend approval of the following permit:

Kory and Stephanie Schertenleib Wells Permit 58A-03

The permit is for use of Wells Project lands for a 33' walkway and 24' boat dock, residential landscaping, garden, submerged pump and recreational fire pit. The permittee has provided proof of insurance coverage as required by the District's Land Use Policy.

3) It is in the best interests of the District to approve Wells Permit 58A-03.

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 execute, in accordance with the District's Land Use Policy, Land Use Permit No. 58A-03.

ADOPTED this 22nd day of August, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE SURPLUS AND SALVAGE
OF DISTRIBUTION TRANSFORMERS AND RECLOSERS**

RECITALS:

- 1) The District has transformers and reclosers that are no longer in use, have exceeded their life expectancy, and/or are no longer operational.
- 2) The District has received a quote from Transformer Technologies LLC to salvage and scrap these transformers and reclosers.
- 3) It is in the best interest of the District to declare these transformers and reclosers salvage items and authorize the sale to Transformer Technologies LLC for an estimated cost of \$270.45.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that the transformers and reclosers are hereby declared salvage items and the District is authorized to sell them to Transformer Technologies LLC.

ADOPTED this 22nd day of August, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

RESOLUTION NO. _____

**A RESOLUTION AFFIRMING CHANGE ORDER NO. 7 TO
CONTRACT 21-33-D-BID, HYDROGEN AND LINCOLN ROCK
SWITCHYARD UTILITY INSTALLATIONS**

RECITALS:

1) By Resolution No. 21-120 dated July 26, 2021, the District awarded Contract 21-33-D-BID, Hydrogen and Lincoln Rock Switchyard Utility Installations to KRCI, LLC. Previous change orders have been approved to increase the total cost of the contract to \$3,470,815.65.

2) District staff has identified an area of the Lincoln Rock Switchyard perimeter that needs to be covered with weed mat and crushed rock. This will help to prevent weeds from growing around the switchyard perimeter fence which create a nuisance and potential fire hazard.

3) District staff recommends affirmation of Change Order No. 7 in the amount of \$41,200.00, which brings the total amount of the contract to \$3,512,015.65.

4) It is in the best interests of the District to affirm Change Order No. 7 to Contract 21-33-D-BID.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that Change Order No. 7 to Contract 21-33-D-BID, Hydrogen and Lincoln Rock Switchyard Utility Installations is affirmed by the Commission.

ADOPTED this 22nd day of August, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING CHANGE ORDER NO. 2 TO
CONTRACT 21-51-D-BID, FIBER OPTIC CABLE
INSTALLATION – UNIT PRICE CONTRACT**

RECITALS:

1) By Resolution No. 22-075 dated April 11, 2022, the District awarded Contract 21-51-D-BID, Fiber Optic Cable Installation – Unit Price Contract, to Cascade Cable Constructors.

2) Change Order No. 2 has been prepared to increase the contract amount by \$3,200,000 (three million two hundred thousand and 00/100), bringing the total authorized not-to-exceed expenditure for 2022, the first year of the contract, to \$6,400,000 (six million four hundred thousand and 00/100).

3) District staff recommends approval of Change Order No. 2 in the amount of \$3,200,000.00 (three million two hundred thousand and 00/100), bringing the total not-to-exceed amount for the first year, 2022, to \$6,400,000.00 (six million four hundred thousand and 00/100).

4) It is in the best interests of the District to approve Change Order No. 2 to Contract 21-51-D-BID.

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 21-51-D-BID, Fiber Optic Cable Installation – Unit Price Contract, is authorized by the Commission.

ADOPTED this 22nd day of August, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING A CALL FOR BIDS UNDER
BID DOCUMENT 22-55-W-BID, METHOW HATCHERY
RESIDENCE RE-BID**

RECITALS:

1) By Resolution 21-207, dated December 13, 2021, the District authorized the call for bids for the construction of a residence at the Methow Hatchery for employee use. Bids were received and reviewed. One of the bids received was within the Engineer's Estimate; however, it was determined by staff that the low bid received was higher than the department budgeted and therefore the District rejected all bids.

2) The District is responsible for operating the Methow Fish Hatchery. Staff still has a need for an additional employee residence at the Methow Hatchery location in order to aid in standby employee coverage as well as for the recruitment of new employees. As part of the 2022 and 2023 budget request process, District staff has reviewed and authorized construction of an additional residence at the Methow Hatchery site to address these needs.

3) Staff recommends that the District solicit bids in compliance with RCW 54.04.070 to construct the additional Methow employee residence in accordance with the specifications, terms and conditions of Bid Document 22-55-W-BID, Methow Hatchery Residence Re-Bid. Sealed bids will be accepted until September 19, 2022 at 1:30 p.m. Pacific Time at the East Wenatchee headquarters.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that Bid Document 22-55-W-BID, Methow Hatchery Residence Re-Bid is hereby approved, and the District's General Manager is hereby authorized and directed to issue a call for bids to construct the Methow Hatchery residence.

ADOPTED this 22nd of August, 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. 3 TO PROFESSIONAL SERVICE AGREEMENT WITH D. ROHR AND ASSOCIATES, INC.

RECITALS:

1) Resolution No. 18-144 authorized the District to enter into a Professional Service Agreement with D. Rohr and Associates, Inc. Mr. Denny Rohr has represented the District in a number of local and regional governmental, regulatory, power and natural resources issues for more than two decades.

2) By Resolution 20-249, Amendment No. 1 extended the contract with Mr. Rohr from August 31, 2021 through December 31, 2022 and increased the not-to-exceed amount to of the agreement to \$60,000.

3) By Resolution 21-137, Amendment No. 2 increased the amount of the Contract by \$25,000 bringing the total not-to-exceed amount of the agreement to \$85,000.

4) Amendment No. 3 would allow the District to continue to utilize Mr. Rohr's unique skills, experience, and knowledge to assist the District on a wide variety of regional and national issues related to Mid-Columbia public utility functions.

5) Staff recommends approval for Amendment No. 3 to Professional Service Agreement with D. Rohr and Associates, Inc. with a new not-to-exceed total cost of \$165,000 and an extended term lasting through December 31, 2024.

6) Based upon the need to continue Mr. Rohr's consulting, it is in the best interests of the District to amend the Professional Service Agreement with D. Rohr and Associates, 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 hereby authorized and directed to approve Amendment No. 3 to the Professional Service Agreement with D. Rohr and Associates, Inc.

ADOPTED this 22nd day of August, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

Draft Pre-decisional Document

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE PURCHASE OF REAL PROPERTY
FROM MS HARRISON FAMILY TRUST**

RECITALS:

- 1) The District has been looking to obtain property adjacent to the District's headquarters facility that would accommodate the District's potential future growth.
- 2) The MS Harrison Family Trust owns property to the north of 13th St., 1301 N. Arbor Terrace, which would accommodate such needs of the District.
- 3) The owner's, MS Harrison Family Trust, have agreed to the sale of the subject 3.92 acres for the fair market value of \$800,000.
- 4) District staff recommends execution of the necessary Real Estate Purchase and Sale Agreement to complete the sale.
- 5) It is in the best interests of the District to acquire the subject property for District needs by allowing the District's General Manager to execute all necessary documents for the conveyance of the subject property.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that the Real Estate Purchase and Sale Agreement between MS Harrison Family Trust and the District for 3.92 acres is hereby approved and the District's General Manager is authorized to execute the necessary documents on behalf of the District.

ADOPTED this 22nd day of August, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING AN INTERCONNECTION AND
SERVICE AGREEMENT WITH H2 PRE-CAST**

RECITALS:

- 1) H2 Pre-Cast desires to increase its load within Douglas County, such that its composite load will now exceed 1.5 MW.
- 2) In accordance with Section 36 of the District's Customer Service Policies, new loads at any one location in excess of 1,500 kilowatt ampere require a special contract.
- 3) An Interconnection and Service Agreement has been negotiated between the District and H2 Pre-Cast, and separately, a cost contribution agreement has been executed between parties.
- 4) It is in the best interest of the District to execute this Interconnection and Service Agreement with H2 Pre-Cast.

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 execute the Interconnection and Service Agreement with H2 Pre-Cast.

ADOPTED this 22nd day of August, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

RESOLUTION NO. _____

**A RESOLUTION APPROVING CHANGE IN ADMINISTRATIVE
BULLETIN 5.13, TRAVEL POLICY AND REQUEST FOR
TRAVEL AUTHORIZATION**

RECITALS:

- 1) Administrative Bulletin 5.13 sets forth the District's travel policy.
- 2) The District's not to exceed reimbursement of meal expenses is set at \$75 per day while on District business travel. Additionally, there is an itemized receipt requirement for individual meals in excess of \$25.00. These dollar thresholds have not been updated since 2005.
- 3) I recommend that the stated current rates be updated in order to best match our current economy. Since 2005, the Consumer Price Index rate (CPI rate) in regards to food and beverage, has increased by a total of 57%. As a result of this significant increase, I recommend the not to exceed amount per day be increased to \$120.00 and the itemized receipt requirement be increased to \$33.00 per meal.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that the rate of reimbursement for meal expense be stated at \$120.00, effective as of board approval.

ADOPTED this 22nd day of August, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING APPLICATION FOR
MEMBERSHIP IN ENERGY NORTHWEST**

RECITALS:

1) Energy Northwest is a Joint Operating Agency operating under provisions of Chapter 43.52 RCW and has authority to acquire, construct, operate and own plants, systems and other facilities and extensions thereof, for the generation and/or transmission of electric energy and power.

2) The Commissioners of the District have determined that membership in Energy Northwest would be beneficial and would offer opportunities for cooperative participation in projects that produce and distribute energy.

3) Energy Northwest has demonstrated a strong record of management of its current generation projects.

4) RCW 43.52.360 provides that a public utility district may become a member of a joint operating agency upon application to such agency after the adoption of a resolution of its Commission authorizing the District's participation in the joint operating agency.

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 make application to become a member of said joint operating agency.

ADOPTED this 22nd day of August, 2022.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary