

COMMISSION MEETING AGENDA
PUBLIC UTILITY DISTRICT NO. 1 OF DOUGLAS COUNTY
WELLS DAM, WASHINGTON
November 22, 2021 – 1:30 P.M.

Public participation for the regular meeting will be by phone or video only

Phone: 206-207-1700

Video: www.webex.com

Meeting Access Code: 2489 981 6939

Password: PUDONE

1:30 PM Regular Meeting

1. Flag Salute
2. Consent Agenda
 - a. Meeting Minutes of November 8, 2021
 - b. Vouchers
 - c. Prequalification of Contractors
 - d. Bid Opening Results:
 - November 15, 2021 – Bid Document 21-49-D-BID, Construct Urban Industrial Substation
 - November 17, 2021 – Bid Document 21-37-D-BID, Construct Hydrogen Production and Fueling Facility
 - e. 21-195 – Resolution Authorizing Acceptance of Work and Final Payment to Cascade Cable Constructors, Inc. Under Contract 21-07-D, Install Communications Microducting in Douglas County
 - f. 21-196 – Resolution Authorizing an IPTV Transport Rights Letter Agreement with AMC Network Entertainment LLC, IFC TV LLC, SundanceTV LLC, WEtv LLC, and New Video Channel America L.L.C (AMC)
 - g. 21-197 – Resolution Authorizing Approval of Land Use Permit 10D-01
3. Public Comment
4. Hearing on the Electric Distribution System and the Wells Hydroelectric Project Calendar Year 2022 Budget
5. Hearing to Identify Vulnerable Populations in Accordance to the Clean Energy Implementation Plan
6. Introduce New Employees
7. 25-Year Service Award – Kyle Wilfong (September 3, 2021)
8. Regular Agenda

21-198 – Resolution Rejecting Bids Received Under Bid Document 21-37-D-BID, Construct Hydrogen Production and Fueling Facility

21-199 – Resolution Authorizing Amendment No. 2 to Professional Service Agreement with Electrical Consultants, Inc.

21-200 – Resolution Authorizing Award of Contract 21-49-D-BID to Michels Pacific Energy, Inc. to Construct Urban Industrial Substation

21-201 – Resolution Authorizing a Notice to Proceed for the Seventh Unit Generator Work Under Contract 06-41-W with Toshiba America Energy Systems Corporation

21-202 – Resolution Authorizing Amendment No. 1 to Professional Service Agreement 21-18-W-PS, Mechanical Engineering for Life Safety Projects at the Wells Hydroelectric Project with KGS Group

21-203 – Resolution Establishing the Date and Time for a Public Hearing to Accept Input on the Clean Energy Implementation Plan

9. Write-off to the Reserve for Uncollectible Accounts – November 2021: \$296
10. Treasurer's Report – Distribution System – October 2021
11. Treasurer's Report – Wells Project – October 2021
12. DCCN Report – October 2021
13. Preliminary Disturbance Reports
14. Other
15. Trips
16. Minutes

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING ACCEPTANCE OF WORK
AND FINAL PAYMENT TO CASCADE CABLE
CONSTRUCTORS, INC. UNDER CONTRACT 21-07-D, INSTALL
COMMUNICATIONS MICRODUCTING IN DOUGLAS COUNTY**

RECITALS:

1) By Resolution No. 21-048 dated March 22, 2021 the District awarded Contract 21-07-D, Install Communications Microducting in Douglas County to Cascade Cable Constructors, Inc.

2) District staff report the Contractor has satisfactorily completed all requirements of Contract 21-07-D 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 \$29,002.27 upon receiving the required notifications from the State of Washington. The total cost of work under this contract is \$580,045.22 plus tax.

3) It is in the best interests of the District to accept the work as complete and authorize final payment under Contract 21-07-D.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that the work under Contract 21-07-D, Install Communications Microducting in Douglas County 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. 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 22nd day of November, 2021.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

Draft Pre-decisional Document

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AN IPTV TRANSPORT RIGHTS LETTER AGREEMENT WITH AMC NETWORK ENTERTAINMENT LLC, IFC TV LLC, SUNDANCETV LLC, WETV LLC, AND NEW VIDEO CHANNEL AMERICA L.L.C. (AMC)

RECITALS:

- 1) The District operates a video headend that provides Internet Protocol Television (IPTV) service to retail service providers.
- 2) Most television content owners require the District to enter into video transport agreements to receive the television signal and transport it to retail service providers.
- 3) District Staff have negotiated terms for an IPTV Transport Rights Agreement with AMC.
- 4) It is in the best interest of the District to enter into the IPTV Transport Rights Agreement with AMC to provide video service.

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 AMC.

ADOPTED this 22nd day of November, 2021.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING APPROVAL OF LAND USE
PERMIT 10D-01, COLUMBIA RUN PROPERTIES LLC**

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:

Columbia Run Properties LLC Wells Permit 10D-01

The permit is for use of Wells Project lands for a 10 foot wide walking path and poison oak management within the walking path. 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 10D-01.

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. 10D-01.

ADOPTED this 22nd day of November, 2021.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

RESOLUTION NO. _____

**A RESOLUTION REJECTING BIDS UNDER
BID DOCUMENT 21-37-D-BID, CONSTRUCT HYDROGEN
PRODUCTION AND FUELING FACILITY**

RECITALS:

1) By Resolution No. 21-158 dated September 27, 2021, the District called for bids under Bid Document 21-37-D-BID, Construct Hydrogen Production and Fueling Facility.

2) On November 17, 2021, the District opened three bids as follows:

<u>Bidder</u>	<u>Total for Bid Comparison</u>
IMCO General Construction, Inc. Ferndale, WA	\$9,784,000.00
Haskell Corporation Bellingham, WA	\$9,118,063.07
Black & Veatch Construction, Inc. Overland Park, KS	No Bid
Engineer's Estimate	\$10,500,000.00

3) District staff have reviewed the bids. The proposal from Black & Veatch was not completed in accordance with the Bid Document and was considered Non-Responsive. Due to uncertainties in the other Bid proposals and current site preparation delays, it is recommended to reject all bids.

4) It is in the best interests of the District to reject all bids under Bid Document 21-37-D-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 21-37-D-BID Construct Hydrogen Production and Fueling Facility.

ADOPTED this 22nd day of November, 2021.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

Draft Pre-decisional Document

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING AMENDMENT NO. 2 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. for Electrical Substation Design.

2) By Resolution No. 21-106, Amendment No. 1 was approved to include the electrical design work for the Lincoln Rock Switchyard, system studies, and hydrogen production facilities. Amendment No. 1 increased the not-to-exceed amount of the project by \$700,000.00 bringing the total amount of the Agreement to \$1,200,000.00.

3) Staff recommends approval of Amendment No. 2 with Electrical Consultants, Inc. Amendment No. 2 will increase the not-to-exceed amount of the project by \$400,000.00 bringing the total amount of the Agreement to \$1,600,000.00.

4) It is in the best interests of the District to issue Amendment No. 2 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 hereby authorized and directed to issue Amendment No. 2 to the Professional Service Agreement with Electrical Consultants, Inc.

ADOPTED this 22nd day of November, 2021.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING AWARD OF CONTRACT
21-49-D-BID TO MICHELS PACIFIC ENERGY, INC. TO
CONSTRUCT URBAN INDUSTRIAL SUBSTATION**

RECITALS:

1) By Resolution No. 21-162 dated October 11, 2021, the District called for bids under Bid Document 21-49-D-BID, Construct Urban Industrial Substation.

2) On November 15, 2021, the District opened four bids as follows:

<u>Bidder</u>	<u>Total for Bid Comparison</u>
Potelco, Inc. Sumner, WA	\$7,860,736.83
DJ's Electrical, Inc. Brush Prairie, WA	\$7,999,925.63
High Country Line Construction, Inc. Morgan, UT	\$8,668,265.18
Michels Pacific Energy, Inc. Tumwater, WA	\$7,217,372.47
Engineer's Estimate	\$10,125,000.00

3) District staff have reviewed the bids and found that the bid from Michels Pacific Energy, Inc. meets all terms and conditions of Bid Document 21-49-D-BID. 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 21-49-D-BID to Michels Pacific Energy, Inc.

4) It is in the best interests of the District to award Contract 21-49-D-BID to the lowest responsive bidder, Michels Pacific Energy, Inc., with an authorized expenditure of \$7,217,372.47 (Seven million two hundred seventeen thousand three hundred seventy-two and forty-seven cents).

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that Contract 21-49-D-BID is awarded to Michels Pacific Energy, Inc. The General Manager is authorized to issue a Contract with Michels Pacific Energy, 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 22nd day of November, 2021.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

Draft Pre-decisional Document

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING A NOTICE TO PROCEED FOR THE SEVENTH UNIT GENERATOR WORK UNDER CONTRACT 06-41-W WITH TOSHIBA AMERICA ENERGY SYSTEMS CORPORATION

RECITALS:

1) Resolution 07-158 awarded Contract 06-41-W to Toshiba International Corporation (TIC) for \$151,100,000.00. Resolution 15-056 approved assignment of Contract 06-41-W to Toshiba America Energy Systems Corporation (TAES).

2) Contract 06-41-W provides for an individual Notice to Proceed (NTP) for each generating unit. The Bid Schedule value for the seventh unit, including an estimated escalation adjustment in accordance with the contract, is \$26,619,956.00. The escalation adjustment was estimated based on available pricing index values. A Change Order will be issued for the difference in the estimated adjustment and the actual adjustment when the quarter pricing index values relative to the date of the NTP are published.

3) In the best interest of the District, I recommend authorizing NTP for the seventh unit. The NTP for the seventh unit will increase the total authorized amount of Contract 06-41-W to \$178,286,255.00 and the not-to-exceed amount to \$226,707,954.00.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that a NTP for the seventh unit in the amount of \$26,649,956.00 is hereby authorized. The commencement of work under this NTP is subject to the receipt of a performance and payment bond satisfactory to the District.

ADOPTED this 22nd day of November, 2021.

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 21-18-W-PS, MECHANICAL
ENGINEERING FOR LIFE SAFETY PROJECTS AT THE WELLS
HYDROELECTRIC PROJECT WITH KGS GROUP**

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 21-063 authorized the District to execute Professional Service Agreement 21-18-W-PS, Mechanical Engineering for Life Safety Projects at the Wells Hydroelectric Project, with KGS Group for a not-to-exceed amount of \$100,000.00 and a termination date of December 31, 2021. No changes to the Agreement have previously been authorized.

2) The District has a need for ongoing Mechanical Engineering for Life Safety Projects at the Wells Hydroelectric Project. Based on KGS's original qualifications and the District's continued satisfaction of the work performed by KGS to date, Amendment 1 has been prepared to increase the not-to-exceed amount and extend the termination date of the Agreement.

3) It is in the best interest of the District to approve Amendment No. 1, thereby increasing the not-to-exceed amount to \$300,000.00 and extending the termination date to December 31, 2023.

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 21-18-W-PS, Mechanical Engineering for Life Safety Projects at the Wells Hydroelectric Project, with KGS Group is hereby approved. The District's General Manager is hereby authorized and directed to execute said Amendment on behalf of the District.

ADOPTED this 22nd day of November, 2021.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary

Draft Pre-decisional Document

RESOLUTION NO. _____

**A RESOLUTION ESTABLISHING THE DATE AND TIME FOR A
PUBLIC HEARING TO ACCEPT INPUT ON THE CLEAN
ENERGY IMPLEMENTATION PLAN**

RECITALS:

1) In accordance with RCW 19.405.060(2), the Board of Commissioners of Public Utility District No. 1 of Douglas County, Washington, needs to develop and submit to the Department of Commerce a four-year Clean Energy Implementation Plan for the standards established under RCW 19.405.040(1) and 19.405.050(1).

2) The plan must consider renewable energy, energy efficiency and demand response. The draft Clean Energy Implementation Plan can be found on the PUD website at www.douglaspud.org.

3) The Board is required to hold a public hearing to accept input on the Clean Energy Implementation Plan.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Douglas County, Washington, that a public hearing to accept input on the Clean Energy Implementation Plan, be held on the 13th day of December, 2021, at 1:30 p.m., in the offices of the Commission at the Douglas County Public Utility District, 1151 Valley Mall Parkway, East Wenatchee, Washington.

BE IT FURTHER RESOLVED that the General Manager of the District is hereby instructed to publish notice of said hearing.

ADOPTED this 22nd day of November, 2021.

Aaron J. Viebrock, President

Molly Simpson, Vice President

ATTEST:

Ronald E. Skagen, Secretary