

Public Utility District No. 1 of Franklin County, Washington
REGULAR COMMISSION MEETING AGENDA

June 14, 2022 | Tuesday | 1 P.M.
1411 W. Clark Street, Pasco, WA | www.franklinpud.com

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Members of the public may participate by dialing:
(888) 475-4499 US Toll-free or 1 (253) 215-8782

Meeting ID: 838 0080 3661 **Passcode:** 872990

or

Zoom Meeting Link

<https://franklinpud.zoom.us/j/83800803661?pwd=VXRjSHZmQTZBaGVxamtiK0ZlSFZiZz09>

- 1) Open Meeting
- 2) Pledge of Allegiance
- 3) Public Comment
- 4) Commissioner Reports, If Needed
- 5) Consent Agenda
- 6) Authorizing the General Manager or his Designee to Execute a Contract for the Purchase of Advanced Metering Infrastructure Meters. **Presenter: Steve Ferraro, Operations Director**
- 7) Authorizing the General Manager or his Designee to Execute a Contract for the Purchase of Padmount Switchgear. **Presenter: Victor Fuentes, Engineering Director**
- 8) Authorizing the General Manager or his Designee to Execute a Contract for the Labor and Material Needed to Fire Guard Poles. **Presenter: Victor Fuentes, Engineering Director**
- 9) Authorizing the General Manager or his Designee to Execute a Contract for the Purchase of Primary Underground Cable. **Presenter: Victor Fuentes, Engineering Director**
- 10) Authorizing the General Manager or his Designee to Execute a Contract for the Purchase of Single-Phase Transformers. **Presenter: Victor Fuentes, Engineering Director**
- 11) Authorizing the General Manager or his Designee to Execute a Contract for the Purchase of Two (2) Medium Voltage Power Transformers. **Presenter: Victor Fuentes, Engineering Director**

2022 Board of Commissioners

Roger Wright, President ~ Bill Gordon, Vice-President ~ Stu Nelson, Secretary

12) Reports from Management, If Needed:

- a. General Manager
- b. Assistant General Manager
- c. Other Members of Management

13) Executive Session, If Needed

14) Future Agenda Items

15) Close Meeting

CONSENT AGENDA
Public Utility District No. 1 of Franklin County, Washington
Regular Commission Meeting

1411 W. Clark Street, Pasco, WA
June 14, 2022 | Tuesday | 1 P.M.

- 1) To approve the minutes of the May 10, 2022 Special Commission Meeting, and May 10, 2022 Regular Commission Meeting.

- 2) To declare a final acceptance of the work completed and as inspected by the District; to authorize release of available retainage; and to approve final payment in the amount of \$151,130.14 for work completed by Power City Electric, Inc. under Contract 9761, Franklin Substation Refurbishment Phase 1.

**THE BOARD OF COMMISSIONERS
OF
PUBLIC UTILITY DISTRICT NO. 1 OF FRANKLIN COUNTY, WASHINGTON**

MINUTES OF THE MAY 10, 2022
SPECIAL COMMISSION MEETING

The Board of Commissioners of Public Utility District No. 1 of Franklin County held a special meeting at 1411 West Clark St., Pasco, WA, on May 10, 2022, at 10:00 a.m. This meeting was conducted in accordance with the current *Proclamation by the Governor, Amending and Extending 20-05, and 20-28 Open Public Meetings Act and Public Records Act* in effect; remote technology options were provided for the public to participate.

Those who participated from the District via remote technology or in person for all or part of the meeting were Commissioner Roger Wright, President; Commissioner Bill Gordon, Vice President; Commissioner Stu Nelson, Secretary; Scott Rhees, General Manager; Holly Dohrman, Assistant General Manager; Steve Ferraro, Operations Director; Victor Fuentes, Engineering Director; and Rosario Viera, Supervisor of Executive Administration.

Additional staff that participated in person or via remote technology for all or part of the meeting was Ben Hooper, Superintendent of Metering, Broadband and Fleet; Brent Weatherman, Broadband Engineer; and Fred Wells, Broadband Support Technician.

Public participating in person or via remote technology for any part of the meeting was Dusty Powers, Telco Wiring.

OPENING

Commissioner Wright called the meeting to order at 10:00 a.m. and called on Mr. Weatherman to lead the Pledge of Allegiance.

Commissioner Wright reported that the purpose of the special meeting was to have a presentation and discussion on the District's broadband infrastructure and future broadband opportunities. He noted that no additional matters would be discussed and no action would be taken.

PUBLIC COMMENT

There was no public participating via the remote technology option or written public comment provided prior to the meeting.

Commissioner Wright asked for public comment. Mr. Powers reported that he has been a Retail Service Provider with the District since the District first began providing wholesale broadband services. He reported that a substantial portion of his business is done through the District's broadband infrastructure. Mr. Powers reported that matters related to the District's broadband business plan affect his business greatly. He noted that he has appreciated working with the District and its broadband staff and noted it has been a positive working relationship.

Commissioner Wright thanked Mr. Powers for attending and noted that the District also values

the relationships with its Retail Service Providers. He noted that he appreciated Mr. Powers attending and being engaged in the matters of the District.

AGENDA ITEM 4, BROADBAND INFRASTRUCTURE PRESENTATION & DISCUSSION.

Commissioner Wright called on Mr. Hooper for introductions.

Mr. Hooper introduced his staff and noted that collectively his staff had over 40 years of experience in the broadband industry. He noted that he appreciated their work and successes in his department were due to their efforts.

Through a presentation Mr. Hooper shared information on the District's broadband. The presentation included statistical information on current services being provided, the customers being served, number of Retail Service Providers, and revenues from the broadband services the District provides.

The presentation included:

- current general information on the challenges in providing broadband services such as increase in demand, competition and inflation in both materials and labor; and,
- information on the recent legislation that passed allowing utility districts retail authority, the benefits and concerns in pursuing retail authority and various financial scenarios.

Mr. Hooper reviewed the financial scenarios for various business case opportunities. It was noted that slide 16 needed a correction to the footnote numbering. Ms. Viera noted that the correction would be made and sent via email to the Commission after the meeting. There was discussion on the assumptions used for the financial scenarios for the various business case opportunities and Commissioner Wright asked for more detail on the depreciation schedule used for the broadband infrastructure assets. Staff noted they would provide the additional information at a future meeting.

The Commission asked Mr. Powers for additional comment on the scenarios presented. Mr. Powers noted that, as a Retail Service Provider, Telco was willing to serve areas where the District was willing to put in the additional infrastructure. Mr. Powers noted there were concerns however, there were also opportunities as well. There was general discussion on the areas the District currently provides broadband service, and the areas where service was lacking or there was no service at all.

Mr. Powers reported the customer's attitude towards broadband services have changed considerably since he first began. He noted that broadband services are no longer an optional service but rather seen as an essential service. He reported that this has increased demand from customers. Discussion ensued.

Commissioner Wright noted that staff needs to continue to be involved and be part of the solution.

The Commission asked about marketing strategies being used and Mr. Hooper reported that ads have been placed for the new colocation facilities.

Commissioner Wright asked about the small cell deployment and how District staff would respond if there were a sudden influx of service requests. Mr. Hooper reported that all resources would be used, including contractors. Discussion ensued.

Commissioner Gordon noted that it was important to keep good relationships with neighboring utilities and the Retail Service Providers. He noted that he appreciated Mr. Powers attending and participating in the discussion.

Mr. Powers reiterated that he appreciated the District and the Broadband department staff. He noted that he hopes to continue to have a positive working relationship with the District.

The Commission thanked Mr. Hooper for the presentation and discussion, and Mr. Powers for attending.

MEETING ADJOURNMENT

With no further business to come before the Commission, Commissioner Wright adjourned the special meeting at 11:23 a.m. The next meeting will be a regular meeting on May 10, 2022 at 1 p.m. at the District's Auditorium located at 1411 W. Clark St. Pasco, WA, and will be held in accordance with the current Governor's proclamation in affect. Remote technology options are also provided for members of the public to participate.

Roger Wright, President

William Gordon, Vice President

Stuart Nelson, Secretary

**THE BOARD OF COMMISSIONERS
OF
PUBLIC UTILITY DISTRICT NO. 1 OF FRANKLIN COUNTY, WASHINGTON**

MINUTES OF THE MAY 10, 2022
REGULAR COMMISSION MEETING

The Board of Commissioners of Public Utility District No. 1 of Franklin County held a regular meeting at 1411 W. Clark St., Pasco, WA, on May 10, 2022, at 1:00 p.m. This meeting was conducted in accordance with the current *Proclamation by the Governor, Amending and Extending 20-05, and 20-28 Open Public Meetings Act and Public Records Act* in effect; remote technology options were provided for the public to participate.

Those who participated from the District via remote technology or in person for all or part of the meeting were Commissioner Roger Wright, President; Commissioner Bill Gordon, Vice President; Commissioner Stu Nelson, Secretary; Scott Rhees, General Manager; Holly Dohrman, Assistant General Manager; Steve Ferraro, Operations Director; Victor Fuentes, Engineering Director; Brian Iller, outside General Counsel; and Rosario Viera, Supervisor of Executive Administration.

Additional staff that participated in person or via remote technology for all or part of the meeting was Katrina Fulton, Accounting Manager/Treasurer.

There was no public participating in person or via remote technology for any part of the meeting.

OPENING

Commissioner Wright called the meeting to order at 1:00 p.m. and called on Ms. Fulton to lead the Pledge of Allegiance.

PUBLIC COMMENT

There was no public participating via the remote technology option or present to provide public comment. There was no written public comment provided prior to the meeting.

EMPLOYEE MINUTE

Commissioner Wright welcomed Ms. Fulton and noted that it was the intent of the Commission to hear from employees and check how they are doing. Commissioner Wright asked Ms. Fulton general wellbeing questions that included what she was most proud of, favorite parts of her job, biggest challenge during the pandemic, and what change she would make at the District.

Ms. Fulton reported that she was most proud of her staff and noted that they had adapted quickly to working remotely. She reported that the accounting department had begun transitioning to electronic processes prior to the pandemic and that had helped considerably. Commissioner Wright asked for a positive and negative about remote work and Ms. Fulton reported that productivity was higher working remotely as there were much less interruptions. She noted that connecting with staff was a challenge.

Ms. Fulton reported she enjoyed problem solving and analyzing data to gain efficiencies. Ms. Fulton noted that things to consider included the creating a robust employee training program. She noted that keeping employee's skills fresh was important.

The Commission thanked Ms. Fulton for attending and sharing her thoughts. Commissioner Wright extended a compliment to her accounting staff and noted they were a good group and provided great reporting.

COMMISSIONER REPORTS:

Commissioner Nelson reported that:

- He attended the Pasco Chamber luncheon and noted that the Executive Director from the Port of Pasco had provided an update.
- He attended the monthly PPC meeting and noted it was an in-person meeting. He noted that no handouts were provided at the meeting as had been customary pre-COVID.

Commissioner Wright reported that:

- He attended a NoaNet workshop and noted there was discussion regarding retail authority, associated opportunities and the cost of pursuing retail authority.

Commissioner Nelson noted he appreciated Mr. Power's comments from the special meeting earlier. Commissioner Wright reported it was important to provide staff direction on the District's broadband. Commissioner Gordon agreed. Commissioner Wright noted that, in his opinion, it was important to not pursue retail authority until the District was fully equipped and ready.

Mr. Rhees reported that staff has applied for grant funding to help provide broadband services to the unserved and underserved areas. He noted he was optimistic in receiving some funding assistance. Mr. Rhees noted he had recently spoken with leadership staff from the City of Richland and discussed options in providing broadband services to them. Discussion ensued.

Commissioner Gordon reported that:

- He attended the Energy Northwest meeting and provided an update on the recent Executive Board elections.

CONSENT AGENDA:

The Commission reviewed the Consent Agenda. Commissioner Nelson moved and Commissioner Gordon seconded to approve the Consent Agenda as noted below. The motion passed unanimously.

- 1) To approve the minutes of the April 26, 2022, Regular Commission Meeting.
- 2) To approve payment of expenditures for April 2022 amounting to \$7,934,932.01 as audited and certified by the auditing officer as required by RCW 42.24.080, and as reviewed/certified by the General Manager as required by RCW 54.16.100, and expense reimbursement claims

certified as required by RCW 42.24.090 and as listed in the attached registers and made available to the Commission for inspection prior to this action as follows:

Expenditure Type:	Amounts:	
Direct Deposit Payroll Umpqua Bank	\$	476,996.68
Wire Transfers (Wires)		4,858,184.95
Automated and Refund Vouchers (Checks)		1,168,131.03
Direct Deposits (EFTs)		1,432,300.66
		(681.31)
Total:	\$	\$7,934,932.01

AGENDA ITEM 7, PRESENTING A DISTRICT 2021 FINANCIAL YEAR IN REVIEW.

Ms. Dohrman introduced the agenda item and reviewed the background information as reported on the Agenda Item Summary included in the meeting packet. Through a presentation, Ms. Dohrman provided a financial update. The presentation included information on the 2021 budget, the assumptions used for the 2021 budget, and the 2021 actuals. She noted that the information provided for the 2021 actuals was unaudited. There were questions and discussion throughout the presentation.

The Commission thanked staff for their work and noted the District had performed well financially. Commissioner Wright posed the idea of potentially giving a return to customers. Mr. Rhees noted that although the 2021 financial outcome was favorable it was much too early to decide on that matter. He noted that there were many uncertainties surrounding the true impacts of COVID and the current inflation rates. Commissioner Gordon agreed with Mr. Rhees.

Commissioner Wright noted that sharing the financial performance with customers would be beneficial to help customers understand how “their money” is being taken care of.

Commissioner Nelson asked for an update on the Pasco CT and Mr. Rhees noted that he was confident the transaction would be successfully completed.

Ms. Dohrman noted that no action was required, and she was presenting only.

AGENDA ITEM 8, AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO EXECUTE A PROPERTY AND LIABILITY INSURANCE POLICY RENEWAL WITH FEDERATED RURAL ELECTRIC INSURANCE EXCHANGE.

Ms. Dohrman introduced the agenda item and reviewed the background information as reported on the Agenda Item Summary included in the meeting packet. She reported that the District has carried a Property and Liability Insurance Policy with Federated Rural Electric Insurance Exchange (Federated) since 1985 to provide the needed coverages. She reported that the current coverage period expires May 31, 2022 and staff is in the process of finalizing the renewal of the District’s insurance policies and re-evaluating the coverages needed for the period of June 1, 2022 through May 31, 2023. She noted that the new coverage costs are estimated to be no more than \$325,000. Staff reviewed their recommendation.

Commissioner Nelson moved and Commissioner Gordon seconded to authorize the General Manager or his designee to execute a Property and Liability Insurance Policy Renewal with Federated Rural Electric Insurance Exchange for the period of June 1, 2022 through May 31, 2023 in an amount not to exceed \$325,000. The motion passed unanimously.

AGENDA ITEM 9, ADOPTING A RESOLUTION APPROVING A SALARY ADMINISTRATION PLAN FOR REGULAR NON-BARGAINING EMPLOYEES, EFFECTIVE MAY 16, 2022 AND SUPERSEDING RESOLUTION 1353 AND MOTION FROM JULY 27, 2021.

Mr. Rhees introduced the agenda item and reviewed the background information as reported on the Agenda Item Summary included in the meeting packet. He noted that the Salary Administration Plan (SAP) provides the compensation structure and salary grades for non-bargaining employees of the District and was last revised in 2021.

Mr. Rhees reported that the SAP is reviewed annually to ensure appropriate compensation for regular non-bargaining positions and that positions are placed in the proper salary grade based on market survey data. Mr. Rhees reported that the review indicated that the SAP needs to be adjusted to keep in line with the market. He noted that the proposed SAP included title changes to current positions, and the addition/deletion of position titles. He reviewed Attachment A of the Agenda Item that showed the proposed changes.

Mr. Rhees noted that a compensation consultant would be brought in to complete a more in-depth analysis as had been requested, however; the changes being proposed were needed to ensure the District remains competitive and retains talent. The Commission concurred. Staff reviewed their recommendation.

Commissioner Gordon moved and Commissioner Nelson seconded to adopt Resolution 1373 as presented. The motion passed unanimously.

AGENDA ITEM 10, PROVIDING AN UPDATE ON THE PANDEMIC EMERGENCY.

Mr. Rhees introduced the agenda item and reviewed the background information as reported on the Agenda Item Summary included in the meeting packet. He noted that since March 2020 monthly updates have been provided to the Commission regarding all actions taken to mitigate the impacts of the pandemic and ensure business continuity. He reported on the PPC in person meeting and reported that despite all the safety precautions that were put in place, there had still been an exposure to the COVID virus. He noted that no action was needed and he was reporting only.

CLAIMS

Mr. Fuentes reported there was a new claim received. He noted that the claim was for damage allegedly caused by an overhead secondary cable being too tight to the customer's mast. Mr. Fuentes noted that the claim has been forwarded to Federated for final determination.

GENERAL MANAGER REPORT:

Mr. Rhees reported that:

- He attended the Northwest RiverPartners monthly meeting and noted that the status of the media campaign was discussed. He reported that the ads are being shown on streaming services and local channels. Staff shared the commercials with the Commission.
- Staff is working with WPUDA to obtain funding for customers with utility arrearages due to COVID. He noted that the legislature in the 2022 session allocated \$100 million for a utility customer assistance grant program.
- He had a brief discussion with Mr. Kevin Nordt from Grant PUD regarding the small modular reactor project and noted that staff will continue to pursue the matter to determine if the project is advantageous for the District. Discussion ensued.

ASSISTANT GENERAL MANAGER REPORT:

Ms. Dohrman report that:

- The March 2022 monthly financial report was included in the meeting packet and she reviewed the report.

OPERATIONS DIRECTOR REPORT:

Mr. Ferraro reported that:

- Progress continues with the smart meter deployment. He noted that the shipment of smart meters was received and staff was making significant progress. He reported that more than 19,500 smart meters have been installed. He noted the 23 customers have opted out of the smart meter installation.

ENGINEERING DIRECTOR REPORT:

Mr. Fuentes reported that:

- The Amazon, Reser's, Darigold, and Local Bounti projects continue to move forward and he provided an update on each.
- The District filled two System Engineer positions and noted that the candidates will begin their employment in June and July.

SUPERVISOR OF EXECUTIVE ADMINISTRATION REPORT:

Ms. Viera reported that:

- There are three meetings in June. She noted that a regular meeting is scheduled for June 14, along with a special and regular meeting on June 28.
- The candidate filling the Records Coordinator position will begin employment with the District on May 16.

OUTSIDE GENERAL COUNSEL REPORT:

Mr. Iller reported that:

- He continues to work on the discovery for the case he is representing on behalf of the District. He noted he will review the information and contact staff as needed for any necessary action

Commissioner Wright reported that the General Manager's goals were finalized, and any changes submitted to Ms. Ransom were included. A copy of the goals were provided to the Commission for additional review and discussion. The Commission concurred with the goals presented.

MEETING ADJOURNMENT

With no further business to come before the Commission, Commissioner Wright adjourned the regular meeting at 2:31 p.m. The next meeting will be a regular meeting on June 14, 2022 at 1:00 p.m. The meeting will be at the District's Auditorium located at 1411 W. Clark St. Pasco, WA. Remote technology options are also provided for members of the public to participate.

Roger Wright, President

William Gordon, Vice President

Stuart Nelson, Secretary

AGENDA ITEM 6
AGENDA ITEM SUMMARY

FRANKLIN PUD - REGULAR COMMISSION MEETING

Presenter: Steven Ferraro
Operations Director
Date: June 14, 2022

REPORTING ONLY
 FOR DISCUSSION
 ACTION REQUIRED

1. OBJECTIVE:

Authorizing the General Manager or his Designee to Execute a Contract for the Purchase of Advanced Metering Infrastructure Meters.

2. BACKGROUND:

In May 2022, the District requested sealed bids from contractors for the purchase of class 320 advanced metering infrastructure meters required to meet the District's needs.

Staff received and evaluated one (1) bid:

Carlson Sales Metering Solutions LLC \$233,280

Staff determined that the bid submitted by Carlson Sales Metering Solutions LLC was a responsive bid and within the District's estimate.

Staff recommends that the Commission authorize the General Manager or his designee to execute a contract with Carlson Sales Metering Solutions LLC, the lowest responsive bidder, for the purchase of class 320 advanced metering infrastructure meters in an amount not to exceed \$233,280.

3. SUGGESTED MOTION:

I move to authorize the General Manager or his designee to execute a contract with Carlson Sales Metering Solutions LLC, the lowest responsive bidder, for the purchase of class 320 advanced metering infrastructure meters, in an amount not to exceed \$233,280.

AGENDA ITEM 7
AGENDA ITEM SUMMARY

FRANKLIN PUD - REGULAR COMMISSION MEETING

Presenter: Victor Fuentes
Engineering Director
Date: June 14, 2022

- REPORTING ONLY
 FOR DISCUSSION
 ACTION REQUIRED

1. OBJECTIVE:

Authorizing the General Manager or his Designee to Execute a Contract for the Purchase of Padmount Switchgear.

2. BACKGROUND:

In May 2022, the District requested sealed bids from contractors for purchase of padmount switchgear required to meet the District's needs.

Staff received and evaluated two (2) bids:

<u>Bidder:</u>	<u>Total Bid:</u>	<u>Exceptions:</u>
Anixter/Wesco, Inc.	\$458,506.00	No
General Pacific	\$459,966.84	Yes

The bids submitted by General Pacific had technical exceptions that included providing an auto-jet switch in lieu of a mini-rupter and exposed fuses while in the open position, as well as an exception to the penalties for late delivery, which was acceptable to the District. Staff determined that the bid submitted by Anixter/Wesco Inc. was a responsive bid and was within the District's estimate.

Staff recommends that the Commission authorize the General Manager or his designee to execute a contract with Anixter/Wesco Inc., the lowest responsive bidder, for the purchase of padmount switchgear in an amount not to exceed \$458,506.00.

3. SUGGESTED MOTION:

I move to authorize the General Manager or his designee to execute a contract with Anixter/Wesco Inc, the lowest responsive bidder, for the purchase of padmount switchgear in an amount not to exceed \$458,506.00.

FRANKLIN PUD - REGULAR COMMISSION MEETING

Presenter: Victor Fuentes
Engineering Director
Date: June 14, 2022

REPORTING ONLY

FOR DISCUSSION

ACTION REQUIRED

1. OBJECTIVE:

Authorizing the General Manager or his Designee to Execute a Contract for the Labor and Material Needed to Fire Guard Poles.

2. BACKGROUND:

The Federal Emergency Management Agency (FEMA) has grant funding available to help with hazard mitigation to help reduce or eliminate risk before a disaster or incident. The District applied and qualified for funding to fire guard poles in the District's service territory. The funding process includes FEMA review of the bid documents and the responses received.

In May 2022, the District requested sealed bids from contractors for the purchase the labor and material needed to fire guard poles in high fire areas in accordance with FEMA and Washington State Emergency Management Division grant guidelines.

As per the required FEMA process any bids received will also be reviewed by Washington State Emergency Management Division, however, to try and expedite the process staff will seek Commission authorization for the lowest responsive bidder, contingent to Washington State Emergency Management Division approval. The bid is scheduled to be opened on Thursday, June 9, 2022. Staff will evaluate any bids received and present the information at the Commission meeting.

3. SUGGESTED MOTION:

To be determined.

AGENDA ITEM 9
AGENDA ITEM SUMMARY

FRANKLIN PUD - REGULAR COMMISSION MEETING

Presenter: Victor Fuentes
Engineering Director
Date: June 14, 2022

REPORT
 DISCUSSION
 ACTION REQUIRED

1. OBJECTIVE:

Authorizing the General Manager or his Designee to Execute a Contract for the Purchase of Primary Underground Cable.

2. BACKGROUND:

The District requested bids to furnish a total of 40,000 feet of 4/0 primary underground cable. The District will add the underground cable to inventory for use as needed on the 12 kV distribution system for customer additions and capital projects.

Staff received and evaluated one (1) bid:

Anixter/Wesco Inc.	\$218,800
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Staff determined that the bid submitted by Anixter/Wesco Inc. was a responsive bid and within the District's estimate.

Staff recommends that the Commission authorize the General Manager or his designee to execute a contract with Anixter/Wesco Inc., the lowest responsive bidder, for the purchase of primary underground cable, in an amount not to exceed \$218,800.

3. SUGGESTED MOTION:

I move to authorize the General Manager or his designee to execute a contract with Anixter/Wesco Inc., the lowest responsive bidder, for the purchase of primary underground cable in an amount not to exceed \$218,800.

AGENDA ITEM 10
AGENDA ITEM SUMMARY

FRANKLIN PUD - REGULAR COMMISSION MEETING

Presenter: Victor Fuentes
Engineering Director
Date: June 14, 2022

REPORTING ONLY

FOR DISCUSSION

ACTION REQUIRED

1. OBJECTIVE:

Authorizing the General Manager or his Designee to Execute a Contract for the Purchase of Single-Phase Transformers.

2. BACKGROUND:

In May 2022, the District requested sealed bids from contractors for purchase of single-phase transformers required to meet the District's needs.

The bid is scheduled to be opened on Wednesday, June 8, 2022. Staff will evaluate any bids received and present the information at the meeting.

3. SUGGESTED MOTION:

To be determined.

FRANKLIN PUD - REGULAR COMMISSION MEETING

Presenter: Victor Fuentes
Engineering Director

Date: June 14, 2022

REPORTING ONLY

FOR DISCUSSION

ACTION REQUIRED

1. OBJECTIVE:

Authorizing the General Manager or his Designee to Execute a Contract for the Purchase of Two (2) Medium Voltage Power Transformers.

2. BACKGROUND:

In April 2022, the District requested bids to furnish medium voltage power transformers that will be needed for future substations. The bid requested a base bid for the purchase of one (1) transformer with the option to purchase up to four (4). Staff received and evaluated the following three (3) bids:

Bidder	Unit Price	Exceptions
Delta Star, Inc.	\$ 1,533,267	Yes
WEG Transformers USA	1,346,263	Yes
Howard Industries, Inc.	1,070,000	Yes

Staff's evaluation identified the following bid exceptions:

- Delta Star Inc. had no technical exceptions but took exception to the escalation clause, which was acceptable to the District.
- WEG Transformers USA contained exceptions to the short circuit testing requirements, the physical requirements, the tank manufacturer specifications, the escalation clause, and other technical specifications.
- Howard Industries, Inc. contained no certification of their paint process as well as exceptions to our escalation clause.

Staff determined that Delta Star, Inc. submitted the lowest responsive bid and was within the District's estimate of \$1,900,000 per unit.

Staff recommends the Commission find the bids submitted by WEG Transformers USA and Howard Industries, Inc., non-responsive and authorize the General Manager or his designee to execute a contract with Delta Star Inc., the lowest responsive bidder, for the purchase of two (2) medium voltage power transformer in an amount not to exceed \$3,066,534.

3. SUGGESTED MOTION:

I move to find the bids submitted by WEG Transformers USA and Howard Industries, Inc., non-responsive and authorize the General Manager or his designee to execute a contract with Delta Star Inc., the lowest responsive bidder, for the purchase of two (2) medium voltage power transformer in an amount not to exceed \$3,066,534.

Public Utility District No. 1 of Franklin County, Washington
PROPOSED AGENDA ITEMS FOR FUTURE COMMISSION MEETINGS
Subject to Change

Franklin PUD Board of Commissioners meetings are available to the public via conference call or remote technology. Please check the District's website www.franklinpud.com for the most current information for each meeting.

PUBLIC COMMENT: Public comments on District business, or items on the meeting agendas are accepted in-person and from those attending via remote technology at the beginning of each regularly scheduled commission meetings. In-person or remote comments may be limited to three minutes.

Comments can be emailed ahead of the meeting to generalmanager@franklinpud.com or mailed to PO BOX 2407, Pasco, WA, 99302. Written comments must be received at least two business days prior to the meeting to ensure proper distribution to the District's Board of Commissioners.

June 28, 2022
Special Commission Meeting – 10 a.m.

Description:	Presenter
Workshop - Open Public Meetings Act / Public Records Act	

June 28, 2022
Regular Commission Meeting

Description:	Presenter
1) Authorizing the General Manager or his Designee to Execute a Contract for the Purchase of Underground Wire/Cable Puller. Presenter: Steve Ferraro, Operations Director.	
2) Authorizing the General Manager or his Designee to Execute a Contract for Franklin Substation Refurbishment Project Phase 2". Presenter: Victor Fuentes, Engineering Director	
3) Authorizing the General Manager or his Designee to Execute a Contract for the Purchase of Composite Poles. Presenter: Victor Fuentes, Engineering Director	
4) Authorizing the General Manager or his Designee to Execute a Contract for Professional Substation Design Services for the New Substation Project. Presenter: Victor Fuentes, Engineering Director	
5) Providing a Pandemic Update. Presenter: Scott Rhees, General Manager	

July 26, 2022
Special Commission Meeting – 10 a.m.

Description:	Presenter
Workshop - Bid Process and Specifications Review	

Public Utility District No. 1 of Franklin County, Washington
PROPOSED AGENDA ITEMS FOR FUTURE COMMISSION MEETINGS
Subject to Change

July 26, 2022
Regular Commission Meeting

Description:	Presenter
1. Authorizing the General Manager or his Designee to Execute a Contract Extension with Boyd's Tree Services LLC for Tree Trimming Services. <i>Presenter: Steve Ferraro, Operations Director</i>	
2. Authorizing the General Manager or his Designee to Execute a Contract with Columbia Basin Hydro Authority for the Purchase of Energy. <i>Presenter: Holly Dohrman, Assistant General Manager</i>	

August 23, 2022
Regular Commission Meeting

Description:	Presenter
<i>Presentation: Legislative Update, Guest presenter: Isaac Kastama, Water Street</i>	

September 27, 2022
Regular Commission Meeting

Description:	Presenter
<i>Presentation: Electric System Update</i>	
1. Opening the 2023 Budgets Public Hearing, Presenting the Preliminary 2023 Operating and Capital Budgets and Recessing the Public Hearing. <i>Presenter: Holly Dohrman, Assistant General Manager</i>	
2. Providing a Pandemic Update. <i>Presenter: Scott Rhees, General Manager</i>	

October 25, 2022
Regular Commission Meeting

Description:	Presenter
<i>Presentation: NISC Update</i>	
1. Re-Opening the 2023 Budgets Public Hearing, Presenting the Updated Preliminary 2023 Operating and Capital Budgets, and Recessing the Public Hearing. <i>Presenter: Holly Dohrman, Assistant General Manager</i>	
2. Providing a Pandemic Update. <i>Presenter: Scott Rhees, General Manager</i>	

Public Utility District No. 1 of Franklin County, Washington
PROPOSED AGENDA ITEMS FOR FUTURE COMMISSION MEETINGS
Subject to Change

November 8, 2022
Regular Commission Meeting

Description:	Presenter
1. Re-Opening the 2023 Budgets Public Hearing, Presenting the Updated Preliminary 2023 Operating and Capital Budgets and Recessing the Public Hearing. <i>Presenter: Holly Dohrman, Assistant General Manager</i>	
2. Approving the 2023 Organization Representation List. <i>Presenter: Rosario Viera, Supervisor of Executive Administration.</i>	
3. Appointing the 2023 Board of Commission Officers. <i>Presenter: Rosario Viera, Supervisor of Executive Administration.</i>	
4. Approving the 2023 Regular Commission Meeting Schedule. <i>Presenter: Rosario Viera, Supervisor of Executive Administration.</i>	
5. Providing a Pandemic Update. <i>Presenter: Scott Rhees, General Manager</i>	

December 13, 2022
Regular Commission Meeting

Description:	Presenter
1. Re-opening the 2023 Budgets Public Hearing, Presenting the Final 2022 Operating and Capital Budgets, Closing the Public Hearing and Adopting a Resolution Approving the 2023 Operating and Capital Budgets. <i>Presenter: Holly Dohrman, Assistant General Manager</i>	
2. Adopting a Resolution Approving the Pre-Qualification of Electrical Contractors for Calendar Year 2023. <i>Presenter: Holly Dohrman, Assistant General Manager</i>	
3. Authorizing the General Manager or his Designee to Approve Payments for the Automated Mailing Services, Bill Inserts, On-line Payment Processing and Annual Software Maintenance, for 2023, Payable to the National Information Solutions Cooperative. <i>Presenter: Holly Dohrman, Assistant General Manager</i>	
4. Authorizing the General Manager or his Designee to Execute a Task Order with The Energy Authority for 2023 Consulting Services. <i>Presenter: Holly Dohrman, Assistant General Manager</i>	
5. Authorizing the General Manager or his Designee to Execute a Contract Extension with Department of Enterprise Services to utilize Paramount Communications, Inc. for Fiber Dock Crew Projects. <i>Presenter: Holly Dohrman, Assistant General Manager</i>	