

REGULAR MEETING
OF PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY

June 26, 2018

The Commission of Public Utility District No. 2 of Grant County, Washington, convened at 8:00 a.m. at Grant PUD's Main Headquarters Building, 30 C Street SW, Ephrata, Washington with the following Commissioners present: Terry Brewer, President; Bob Bernd, Vice-President; Dale Walker, Secretary; Tom Flint, Commissioner; and Larry Schaapman, Commissioner.

A round table discussion was held regarding the following topics: NISC software contract; employee recognition in support of an ongoing new customer service request; financial and rate consultant RFP(s) status updates; proposed Rate Schedule No. 17 discussions; upcoming engineering standards report; future cost to connect and rate design presentations; recent Port of Quincy meeting; June 22 Hydro STEM Academy graduation ceremony; Redrock Substation; and ISP standards.

Craig Bressan, Senior Manager of Industrial Training and Safety, provided a Safety report.

Craig Bressan, Senior Manager of Industrial Training and Safety, provided the Safety Health and Improvement Plan (SHIP) Programmatic report.

The Commission recessed at 11:00 a.m.

The Commission resumed at 11:05 a.m.

Nick Weber, Manager of Security, provided a Security report.

Devon Williams, Manager of Enterprise Risk Management and Jeremy Nolan, Financial Analyst II, discussed the Evolving Industry Rate.

The Commissioners attended an employee recognition lunch.

The afternoon portion of the meeting was opened by reciting the Pledge of Allegiance.

Justin Yochum, Moses Lake, CytLine LLC, spoke against the proposed evolving industry rate schedule and expressed support for block chain industry growth in Grant County.

Jonathan Toomim, Moses Lake, spoke in opposition of the proposed evolving industry rate schedule and requested the Commission not adopt Rate Schedule 17 under the existing design as proposed.

Rhyan Reid, Moses lake, encouraged the Commission to support evolving industry growth in Grant County and spoke in opposition of proposed Rate Schedule 17.

Gary Varney, Desert Aire, Desert Aire Owners Association (DAOA) Board Director and Vice President, expressed dissatisfaction with the both the previous and existing Grant PUD contractors providing security services at Desert Aire.

Consent agenda motion was made by Mr. Flint and seconded by Mr. Schaapman to approve the following consent agenda items:

Payment Numbers	83077	through	83504	\$41,201,609.25
Payroll Direct Deposit	124913	through	125615	\$ 1,727,542.31

Meeting minutes of June 12, 2018.

RESOLUTION NO. 8886

A RESOLUTION AUTHORIZING ACCEPTANCE OF PERFORMANCE OF CONTRACT
330-4163, 2016 WANAPUM DAM SPILLWAY APRON REPAIRS AND AUTHORIZING
RELEASE OF RETAINAGE

Recitals

1. Grant PUD's Senior Manager of Power Production Engineering is of the opinion, based on information presently available, that Global Diving & Salvage, Inc. has completed performance of Contract 330-4163, for 2016 Wanapum Dam Spillway Apron Repairs; and

2. Grant PUD has withheld, as required by RCW Chapter 60.28, retainage in the amount of \$198,815.68 in accordance with the terms of the Contract Documents.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington, that performance of Contract 330-4163 is hereby accepted and that release of retainage is authorized upon expiration of 60 days from the date hereof, provided: (1) no liens are filed against said retained fund; (2) receipt of a Washington Department of Revenue Certificate showing payment of all state taxes due; (3) receipt of a properly executed Certificate of Completion and Release; and (4) receipt of an Affidavit/Affidavits of Wages Paid evidencing payment of prevailing wages.

BE IT FURTHER RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington, that this resolution shall not constitute an acceptance by Grant PUD of any work performed or goods supplied pursuant to the aforementioned contract which are not in strict compliance with the terms and conditions. Grant PUD hereby expressly reserves the rights and remedies which may be available to it as a result of any such non-compliance.

BE IT FURTHER RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington, that this resolution shall not constitute a release, waiver or relinquishment of any indemnity right Grant PUD may have against Global Diving & Salvage, Inc. with respect to any claim or claims arising from or related to the work performed by Global Diving & Salvage, Inc.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 26th day of June, 2018.

After consideration, the above consent agenda items were approved by unanimous vote of the Commission.

Motion was made by Mr. Schaapman and seconded by Mr. Flint authorizing the General Manager, on behalf of Grant PUD, to reset the delegated authority levels to the authority granted to the General Manager per Resolution No. 8609 for Contract 130-2022 with Winterbauer & Diamond. After consideration, the motion passed by unanimous vote of the Commission.

Motion was made by Mr. Bernd and seconded by Mr. Flint authorizing the General Manager, on behalf of Grant PUD, to execute Change Order No. 10 to Contract 430-2483 with Hatch Associates Consultants, Inc., increasing the not-to-exceed contract price by \$458,000.00 for a new contract total of \$1,998,000.00 and resetting the delegated authority levels to the authority granted to the General Manager per Resolution No. 8609 for charges incurred as a result of Change Order No. 10. After consideration, the motion passed by unanimous vote of the Commission.

Motion was made by Mr. Flint and seconded by Mr. Schaapman authorizing the General Manager, on behalf of Grant PUD, to approve Change Order No. 1 to Contract 430-07424C with Cornforth Consultants, Inc., increasing the not-to-exceed contract price by \$500,000.00 for a new contract total of \$800,000.00 and resetting the delegated authority levels to the authority granted to the General Manager per Resolution No. 8609 for charges incurred as a result of Change Order No. 1. After consideration, the motion passed by unanimous vote of the Commission.

The Commissioners reviewed future agenda items.

The Commission calendar was reviewed.

Derin Bluhm, Senior Manager, Chief Technology Officer, reviewed the Enterprise Technology Project.

An executive session was announced at 2:15 p.m. to last until 3:00 p.m. to discuss potential litigation with legal counsel present pursuant to RCW 42.30.110(1)(i); to discuss performance of a public employee with legal counsel present pursuant to RCW 42.30.110(1)(g); and to discuss legal risks of current practice or proposed action with legal counsel present pursuant to RCW 42.30.110(1)(i). The executive session concluded at 3:00 p.m. and the regular session resumed.

Commissioners attended a PCard Training overview hosted by Angie Smith, Accountant II, Mike Facey, Controller Accounting, and Brett Bergeson, Auditor.

There being no further business to discuss, the Commission adjourned at 4:00 p.m. on June 26 and reconvened on Monday, July 9 at 7:00 p.m. at the Quincy Police Department, 223 1st Avenue SW, Quincy, Washington, for the purpose of attending a Quincy Valley Leadership Group meeting and any other business that may come before the Commission with the following Commissioners present: Terry

Brewer, Larry Schaapman, and Tom Flint. A copy of the notice of adjournment was posted near the door outside the Commission room.

There being no further business to discuss, the June 26 meeting officially adjourned at 8:00 p.m. on July 9, 2018.



ATTEST:

Dale Walker
Dale Walker, Secretary

Terry L Brewer
Terry Brewer, President

Robert W. Bernd
Bob Bernd, Vice President

Tom Flint
Tom Flint, Commissioner

Larry Schaapman
Larry Schaapman, Commissioner