

A G E N D A
GRANT COUNTY PUBLIC UTILITY DISTRICT
30 C Street SW – Commission Meeting Room
Ephrata, Washington
COMMISSION MEETING
Tuesday, February 25, 2025

An Executive Session may be called at any time for purposes authorized
by the Open Public Meetings Act

- 8:00 a.m.** Executive Session
- 9:00 a.m.** Commission Convenes
Review and Sign Vouchers
Calendar Review
- 9:30 a.m.** Reports from staff
- 12:00 Noon** Lunch
- 1:00 p.m.** Safety Briefing
Pledge of Allegiance
Attendance
Public requests to discuss agenda items/non-agenda items
Correspondence – *(Does not include anonymous letters)*
Business Meeting

1. Consent Agenda

Approval of Vouchers

Meeting minutes of February 11, 2025

2. Regular Agenda

9077 – Resolution Pre-Qualifying Contractors to Perform Electrical Work for Grant PUD.

9078 – Resolution Superseding Resolution No. 6425 and Authorizing Grant PUD’s General Manager/CEO to Act on Behalf of Grant PUD in Emergency Situations and Exigent Circumstances.

9079 – Resolution Superseding Resolution No. 8608 and Establishing Delegated Purchasing Authority Limits.

9080 – Resolution Superseding Resolution No. 8609 and Establishing Change Order Approval Limits.

9081 – Resolution Superseding Resolution No. 8643 and Delegating the Process for Disposition of Surplus Personal Property to the General Manager/CEO.

9082 – Resolution Superseding Resolution No. 8921 Implementing Senate Bill 5418.

Motion authorizing the General Manager/CEO to execute Change Order No. 26 to Contract 230-4249 with Andritz Hydro Corp increasing the not-to-exceed contract amount by \$788,776.00 plus applicable sales tax for a new contract total of \$3,545,746.57 and resetting the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for charges incurred as a result of Change Order No. 26. (3509)

Motion authorizing the General Manager/CEO to execute Amendment 3 to Contract 430-HFA 601-41H with Real Time Research Inc increasing the not-to-exceed contract amount by \$358,401.00 for a new contract total of \$978,845.00 and extending the completion date to March 31, 2026 and resetting the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for charges incurred as a result of Amendment 3. (3510)

Motion authorizing the General Manager/CEO to execute Change Order No. 13 to Contract 130-09724 with Quanta Infrastructure Solutions Group, LLC, increasing the not-to-exceed contract amount by \$5,706,552.10 for a new contract total of \$110,316,381.25 with an extension of completion to January 31, 2026 and resetting the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for charges incurred as a result of Change Order No. 13. (3511)

3. Review Items For Next Business Meeting

XXXX – Resolution of the Commission of Public Utility District No. 2 of Grant County, Washington, Amending Resolution No. 9046 of the District (Establishing a Letter of Credit and Line of Credit Facility and Providing for the Issuance and Sale of the District’s Electric System Revenue Notes, Series 2024-W (Revolving Line of Credit)); Authorizing a First Amendment to Credit Agreement; and Authorizing other Matters Related Thereto.

Motion authorizing the General Manager/CEO to execute Change Order No. 6 to Contract 430-09222 with UKG Inc., increasing the not-to-exceed contract amount by \$150,826.56 through November 20, 2026 and resetting the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for charges incurred as a result of Change Order No. 6. (xxxx)

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute new Contract Agreement 430-HFA 602-83H with Methow Salmon Recovery Foundation in the amount not to exceed \$1,250,200.00 for purchase of 7.86 acres of land adjacent to the Twisp River for habitat conservation purposes. (xxxx)

4. Reports from Staff (if applicable)

Adjournment

CONSENT AGENDA

Draft – Subject to Commission Review

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

February 11, 2025

The Commission of Public Utility District No. 2 of Grant County, Washington, convened at 8:30 a.m. at Grant PUD's Main Headquarters Building, 30 C Street SW, Ephrata, Washington and via Microsoft Teams Meeting / +1 509-703-5291 Conference ID: 614 157 417# with the following Commissioners present: Terry Pyle, President; Larry Schaapman, Vice-President; Judy Wilson, Secretary; Nelson Cox, Commissioner, in *attendance via online* and Tom Flint, Commissioner.

An executive session was announced at 8:30 a.m. to last until 8:55 a.m. to review performance of a public employee pursuant to RCW 42.30.110(1)(g), to discuss pending litigation pursuant to RCW 42.30.110(1)(i) and to discuss lease or purchase of real estate if disclosure would increase price pursuant to RCW 42.30.110(1)(b). The executive session concluded at 8:55 a.m. and the regular session resumed.

The Commission convened to review vouchers and calendar. Trade association and committee reports were reviewed.

The Commission recessed at 9:21 a.m.

The Commission resumed at 9:30 a.m.

Motion to excuse Commissioner Nelson Cox from in person meeting. Commissioner Cox attended online.

A round table discussion was held regarding the following topics: Washington D.C. congressional visits; WPUDA Day on the Hill; Capital Press article response; recognition of Ty Ehrman, Chief Customer Officer, for 15 years of service; easement discussion; and solar technology.

Mark Beaulieu, Engineer IV, gave a presentation on Andritz Hydro Corp CO26.

Travis Wiser, Manager EPMO, and Austin Blythe-Clark, Project Manager, gave a Quanta Infrastructure Solutions, DB2 presentation.

Jordan Rang, Safety Coordinator, gave the Safety Business Report.

Brian Barrows, Fleet Maintenance Manager, provided the Enterprise Shared Services Business Report.

The Commission recessed at 10:55 a.m.

The Commission resumed at 11:00 a.m.

John Mertlich, Chief Commercial Officer, provided the Energy Supply Management Business Report.

The Commission recessed at 11:40 a.m.

An executive session was announced at 11:45 a.m. to last until 12:55 p.m. to review performance of a public employee with legal counsel present pursuant to RCW 42.30.110(1)(g) and to discuss pending litigation with legal counsel present pursuant to RCW 42.30.110(1)(i). The executive session concluded at 12:55 p.m. and the regular session resumed.

The Commission resumed at 1:00 p.m.

The Commission reviewed correspondence.

Consent agenda motion was made by Commissioner Schaapman and seconded by Commissioner Wilson to approve the following consent agenda items:

Payment Number	151527	through	151892	\$10,690,139.33
Payroll Direct Deposit	5902	through	6797	\$2,789,077.24
Payroll Tax and Garnishments	20250205A	through	20250206A	\$1,208,941.77

Meeting minutes of January 28, 2025.

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

Motion was made by Commissioner Schaapman and seconded by Commissioner Flint authorizing the General Manager/CEO to execute Change Order No. 8 to Contract 430-09972R1 with Olsson Industrial Electric Inc., increasing the not-to-exceed contract amount by \$83,583.62 plus tax for a new contract total of \$14,755,005.76 and resetting the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for charges incurred as a result of Change Order No. 8.

Motion was made by Commissioner Flint and seconded by Commissioner Wilson authorizing the General Manager/CEO, on behalf of Grant PUD, to execute Interlocal Agreement No. 430-12669 for Professional Services with Public Utility District No. 1 of Douglas County, Washington.

Motion was made by Commissioner Schaapman and seconded by Commissioner Flint authorizing the General Manager/CEO, on behalf of Grant PUD, to execute the SPP Markets+ Phase 2 Funding Agreement with the Southwest Power Pool, Inc., attached as Exhibit A.

Shaun Harrington, Senior Economist, and Matt Birch, Senior Economist, presented the Retail Load and Revenue Variance Business Report.

There being no further business to discuss, the Commission adjourned at 1:52 p.m. on February 11 and reconvened on Tuesday, February 18 at 9:00 a.m. at Grant PUD's Main Headquarters Building, 30 C ST SW, Ephrata, Washington for the purpose of holding a Commission Executive Leadership working day and any other business that may come before the Commission with the following Commissioners present: Tom Flint, Terry Pyle, Larry Schaapman, Judy Wilson, and Nelson Cox. A copy of the notice of adjournment was posted to the Grant PUD website.

There being no further business to discuss, the February 11, 2025 meeting officially adjourned at 5:00 p.m. on Tuesday, February 18, 2025.

Terry Pyle, President

ATTEST:

Judy Wilson, Secretary

Larry Schaapman, Vice President

Nelson Cox, Commissioner

Tom Flint, Commissioner

REGULAR AGENDA

RESOLUTION NO. 9077

A RESOLUTION PRE-QUALIFYING CONTRACTORS TO PERFORM ELECTRICAL WORK FOR
GRANT PUD

Recitals

1. RCW 54.04.085 requires that contractors be pre-qualified to do electrical work for Grant PUD, and pursuant thereto, contractors listed in Appendix A have filed applications for pre-qualification with Grant PUD;
2. Grant PUD's staff have reviewed all applications and their recommendations with respect to the same are set forth in Appendix A attached hereto;
3. Grant PUD's staff recommend rejection of certain contractor pre-qualification requests, and Grant PUD's General Manager concurs with those recommendations; and
4. The Commission has reviewed and considered the recommendations of Grant PUD's staff.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington, that:

Section 1. The various contractor requests received by Grant PUD for pre-qualification are hereby approved and rejected as set forth in Appendix A attached hereto.

Section 2. For these contractors who are pre-qualified as set forth in Appendix A, they shall each designate their employees, and/or subcontractors with electrical contract licenses prior to performing any electrical work for Grant PUD requiring the same.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 25th day of February, 2025.

President

ATTEST:

Secretary

Vice President

Commissioner

Commissioner

MEMORANDUM

January 30, 2025

TO: Rich Wallen, General Manager/Chief Executive Officer

VIA: Jeff Grizzel
Jeff Grizzel (Jan 30, 2025 10:44 PST)
 Jeff Grizzel, Chief Operating Officer
 Ron Alexander, Managing Director – Power Delivery Ron Alexander
Ron Alexander (Jan 30, 2025 12:38 PST)
 Jesus Lopez, Senior Manager – Power Delivery Engineering Jesus Lopez

FROM: Sharon Lucas, Administrative Assistant – Power Delivery Engineering Sharon Lucas
Sharon Lucas (Jan 30, 2025 10:31 PST)

SUBJECT: 2024 Pre-qualification of Contractors for Electrical Work

Purpose: Recommend approval and/or rejection of contractor applications seeking pre-qualification for electrical work as stated in the various categories listed for the District’s Electric System in the 2025 construction year, per RCW 54.04.085.

Discussion: The District completed an annual Pre-Qualification process as required and described in RCW 54.04.085. The District advertised for contractors to be pre-approved for District electric system work for the 2025 construction year. A legal notice was published in October in the following:

- Wenatchee World
- Daily Journal of Commerce - Seattle
- Daily Journal of Commerce - Portland
- Spokesman Review

In addition to the legal notices published, the Pre-Qualification process and application is posted on the District’s Contracting Procurement website and can be downloaded by contractors.

Evaluated contractors completed the standard questionnaire and provided a financial statement. Additionally, contractors provided a statement of work experience, list of previous projects including the associated dollars required to complete the jobs, and a list of key employees to substantiate the categories of work in which they applied. The work categories are described in the table below.

WORK CATEGORIES			
A	Distribution (up to 15kV)	E	Substation Energized Maintenance
B	Transmission (115kV to 230kV)	F	Lighting
C	Substation De-energized Construction	G	Storm and Emergency Response
D	Substation Energized Construction		

A group of employees representing Power Delivery Construction & Maintenance and Power Delivery Engineering reviewed the applications for the requirements specified in RCW 54.04.085, which are: 1) adequate financial resources; 2) necessary experiences by the company and personnel; 3) organization and technical qualification to perform the work; 4) satisfactory record of performance, integrity, judgment, and skills; and 5) be otherwise qualified and eligible to receive a contract award under applicable laws and regulations.

Recommendation: Approve/Reject Contractors for work categories as described below:

- A. The following Pre-qualification Applications are recommended for approval *as applied* within categories and within the maximum amount of work, expressed in dollars, as submitted by the Contractor. The categories are more fully described in Appendix A.

CONTRACTOR	CATEGORIES							\$ Amt Millions
	A	B	C	D	E	F	G	
Cascade Cable Constructors LLC	X*		X*					10
Granite Construction			X	X*				Unlimited
Henkels & McCoy Inc	X	X	X	X				100
International Line Builders	X	X	X*	X*		X	X	25
JH Kelly LLC	X*		X*	X*				200
Michel's Pacific Energy	X	X	X	X	X	X	X	500
Potelco	X	X	X	X*	X*	X	X	50
Power City Electric	X*		X	X*			X	20
Spartan Infrastructure		X*					X	300
Tice Electric	X*	X*	X	X*				30
Wilson Construction	X	X	X	X	X*	X	X	300

X = Recommended Approval

* see Appendix A for complete detail (partial items requested in certain categories)

- B. The following Pre-qualification Applications are recommended for approval *with modifications* (some work not approved) within the specific work categories as they were submitted by the Applicant. Rejection of categories for the following contractors was based on insufficient information (showing inadequate evidence of experience and technical qualifications) received on the application. Refer to Appendix A for complete detail of all categories:

CONTRACTOR	CATEGORIES							\$ Amt Millions
	A	B	C	D	E	F	G	
American Electrical Services	R*		R			X		3
Aubrey Silvey			R*	X*	X			50
Black & McDonald	R*	R	R*	R*		X*		20
Cannon Construction	X	X	R	R*		X	X	25
Crux Subsurface	X*	X*	X	X*			R	400
DJ's Electric	X	X	X	R*	R	R	R	20
Palouse Power	X	X	X	R*	R	X	X	10
River Line Power	X*	X	X	X*		R	R	3.5
Sturgeon Electric	X	X	X	R*	X	X	X	200
Summit Line Constriction	X	X	X	R*	R*			20

A = Approval R = Rejected

*** see Appendix A for complete detail (partial items requested in categories or rejected in certain categories)**

C. Contractors rejected for the work categories listed below were rejected for failure to provide adequate financial documentation or evidence of experience and technical qualifications in performing the required functions for the specific work category.

CONTRACTOR	Financial Documentation	CATEGORIES							\$ Amt Millions
		A	B	C	D	E	F	G	
<i>Cashe Valley Electric</i>	<i>Rejected</i>								250

Legal Review: see attached e-mail(s).

c: Jesus Lopez
Patrick Bishop
Niconia Butler
Sharon Lucas











MEMORANDUM


Final Audit Report

2025-01-30

Created:	2025-01-30
By:	Sharon Lucas (slucas@gcpud.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAMq2Mnl0sMOa3WYaPnCh8z48uhSt4wa0d

"MEMORANDUM" History


-  Document created by Sharon Lucas (slucas@gcpud.org)
2025-01-30 - 6:30:22 PM GMT
-  Document emailed to Sharon Lucas (slucas@gcpud.org) for signature
2025-01-30 - 6:30:28 PM GMT
-  Document emailed to Jesus Lopez (jlopez@gcpud.org) for signature
2025-01-30 - 6:30:28 PM GMT
-  Document emailed to Ron Alexander (ralexander@gcpud.org) for signature
2025-01-30 - 6:30:29 PM GMT
-  Document emailed to Jeff Grizzel (jgrizzel@gcpud.org) for signature
2025-01-30 - 6:30:29 PM GMT
-  Document e-signed by Sharon Lucas (slucas@gcpud.org)
E-signature hosted by Sharon Lucas (slucas@gcpud.org)
Signature Date: 2025-01-30 - 6:31:55 PM GMT - Time Source: server
-  Email viewed by Jesus Lopez (jlopez@gcpud.org)
2025-01-30 - 6:36:11 PM GMT
-  Document e-signed by Jesus Lopez (jlopez@gcpud.org)
Signature Date: 2025-01-30 - 6:36:45 PM GMT - Time Source: server
-  Email viewed by Jeff Grizzel (jgrizzel@gcpud.org)
2025-01-30 - 6:43:40 PM GMT
-  Document e-signed by Jeff Grizzel (jgrizzel@gcpud.org)
Signature Date: 2025-01-30 - 6:44:38 PM GMT - Time Source: server

 Email viewed by Ron Alexander (ralexander@gcpud.org)

2025-01-30 - 8:37:52 PM GMT

 Document e-signed by Ron Alexander (ralexander@gcpud.org)

Signature Date: 2025-01-30 - 8:38:17 PM GMT - Time Source: server

 Agreement completed.

2025-01-30 - 8:38:17 PM GMT

2025 PREQUALIFICATION EVALUATION <i>As Applied</i>	CASCADE CABLE CONSTRUCTORS	GRANITE CONSTRUCTION	HENKELS McCOY (A MAS-TECH CO.)	International Line Builders (ILB)	JH KELLY LLC	MICHEL'S PACIFIC ENERGY (M10 Company)	POTELCO (A QUANTA CO)	POWER CITY ELECTRIC (A SESCO COMPANY)	SPARTAN INFRASTRUCTURE	
Appendix A										
Requested \$\$ Amount in Millions	10M	UNLIMITED	100M	25M	200M	500m	50M	20M	300M	
A. DISTRIBUTION (up to 15kV):										
a. Hot work - Overhead Line Construction and Maintenance			Accepted	Accepted		Accepted	Accepted	Accepted		Rejected
b. Overhead Construction			Accepted	Accepted		Accepted	Accepted	Accepted		Accepted
c. Underground - Primary (15kV) Cable and Equipment Installation			Accepted	Accepted	Accepted	Accepted	Accepted	Accepted		Accepted
d. Underground - Secondary (up to 600V) Cable and Equip. Installation			Accepted	Accepted	Accepted	Accepted	Accepted	Accepted		
e. Hot work - Underground Cable System Construction and Maintenance			Accepted	Accepted	Accepted	Accepted	Accepted	Accepted		
f. Plowing - Electrical Power Cable	Accepted		Accepted	Accepted		Accepted	Accepted			
g. Plowing - Electrical Conduit	Accepted		Accepted	Accepted		Accepted	Accepted			
h. Trenching - Electrical Conduit	Accepted		Accepted	Accepted	Accepted	Accepted	Accepted	Accepted		
i. Pipe Pushing and Directional Boring	Accepted		Accepted	Accepted		Accepted	Accepted			
B. TRANSMISSION (115kV TO 230kV):										
a. Hot work - Overhead Line Construction and Maintenance			Accepted	Accepted		Accepted	Accepted			
b. Wood Pole			Accepted	Accepted		Accepted	Accepted		Accepted	
c. Lattice Tower			Accepted	Accepted		Accepted	Accepted		Accepted	
d. Steel, Concrete or Laminated Poles			Accepted	Accepted		Accepted	Accepted		Accepted	
e. Stringing & Sagging Conductor			Accepted	Accepted		Accepted	Accepted		Accepted	
C. SUBSTATION DE-ENERGIZED CONSTRUCTION:										
a. Excavation	Accepted	Accepted	Accepted	Accepted	Accepted	Accepted	Accepted	Accepted		
b. Concrete Foundations		Accepted	Accepted	Accepted		Accepted	Accepted	Accepted		
D. SUBSTATION ENERGIZED CONSTRUCTION:										
a. Excavation		Accepted	Accepted	Accepted	Accepted	Accepted	Accepted	Accepted		
b. Concrete Foundations		Accepted	Accepted	Accepted		Accepted	Accepted	Accepted		
c. Complete installation			Accepted	Accepted		Accepted	Accepted	Accepted		
d. Installation and Field Wiring of Fabricated Panels			Accepted			Accepted	Accepted	Accepted		
e. Power Transformer Assembly and Testing			Accepted			Accepted	Accepted	Accepted		
f. Power Transformer Vacuum Oil Filling			Accepted			Accepted				
E. SUBSTATION ENERGIZED MAINTENANCE:										
a. Maintenance of Power Transformer and LTC's						Accepted	Accepted			
b. Maintenance of High Voltage Breakers (115 and 230 kV)						Accepted	Accepted			
c. Substation Elec. Acceptance Testing, Field Testing and Commissioning						Accepted	Accepted			
d. Power Transformer Assembly, Oil Processing and Testing						Accepted	Accepted			
e. Power Transformer Vacuum Oil Filling						Accepted				
F. LIGHTING:										
a. Street Lighting Installation				Accepted		Accepted	Accepted			
b. Street Lighting Maintenance				Accepted		Accepted	Accepted			
G. STORM AND EMERGENCY RESPONSE (for categories listed above):				Accepted		Accepted	Accepted	Accepted	Accepted	

2025 PREQUALIFICATION EVALUATION <i>As Applied</i>	TICE ELECTRIC	WILSON CONSTRUCTION								
Appendix A										
Requested \$\$ Amount in Millions	30M	300M								
A. DISTRIBUTION (up to 15kV):										
a. Hot work - Overhead Line Construction and Maintenance		Accepted								
b. Overhead Construction	Accepted	Accepted								
c. Underground - Primary (15kV) Cable and Equipment Installation	Accepted	Accepted								
d. Underground - Secondary (up to 600V) Cable and Equip. Installation	Accepted	Accepted								
e. Hot work - Underground Cable System Construction and Maintenance	Accepted	Accepted								
f. Plowing - Electrical Power Cable		Accepted								
g. Plowing - Electrical Conduit		Accepted								
h. Trenching - Electrical Conduit	Accepted	Accepted								
i. Pipe Pushing and Directional Boring		Accepted								
B. TRANSMISSION (115kV TO 230kV):										
a. Hot work - Overhead Line Construction and Maintenance		Accepted								
b. Wood Pole	Accepted	Accepted								
c. Lattice Tower	Accepted	Accepted								
d. Steel, Concrete or Laminated Poles	Accepted	Accepted								
e. Stringing & Sagging Conductor	Accepted	Accepted								
C. SUBSTATION DE-ENERGIZED CONSTRUCTION:										
a. Excavation	Accepted	Accepted								
b. Concrete Foundations	Accepted	Accepted								
D. SUBSTATION ENERGIZED CONSTRUCTION:										
a. Excavation	Accepted	Accepted								
b. Concrete Foundations	Accepted	Accepted								
c. Complete installation	Accepted	Accepted								
d. Installation and Field Wiring of Fabricated Panels	Accepted	Accepted								
e. Power Transformer Assembly and Testing		Accepted								
f. Power Transformer Vacuum Oil Filling		Accepted								
E. SUBSTATION ENERGIZED MAINTENANCE:										
a. Maintenance of Power Transformer and LTC's		Accepted								
b. Maintenance of High Voltage Breakers (115 and 230 kV)		Accepted								
c. Substation Elec. Acceptance Testing, Field Testing and Commissioning										
d. Power Transformer Assembly, Oil Processing and Testing										
e. Power Transformer Vacuum Oil Filling										
F. LIGHTING:										
a. Street Lighting Installation		Accepted								
b. Street Lighting Maintenance		Accepted								
G. STORM AND EMERGENCY RESPONSE (for categories listed above):		Accepted								

2025 PREQUALIFICATION EVALUATION <i>With Modification</i>	AMERICAN ELECTRICALL SERVICES	AUBREY SILVEY	BLACK & MCDONALD	CANNON CONSTRUCTION	CASHE VALLEY ELECTRIC	CRUX SUBSURFACE	DJ's ELECTRIC	PALOUSE POWER	RIVERLINE POWER LLC	STURGEON ELECTRIC	SUMMIT LINE CONSTR
Appendix A											
Requested \$\$ Amount in Millions	3M	50M	20M	25M	250M	400M	20M	10M	3.5M	200M	20M
A. DISTRIBUTION (up to 15kV):											
a. Hot work - Overhead Line Construction and Maintenance	Rejected		Accepted		Accepted		Accepted	Accepted	Accepted	Accepted	Accepted
b. Overhead Construction	Rejected		Accepted		Accepted	Accepted	Accepted	Accepted	Accepted	Accepted	Accepted
c. Underground - Primary (15kV) Cable and Equipment Installation	Accepted		Rejected		Accepted	Accepted	Accepted	Accepted	Accepted	Accepted	Accepted
d. Underground - Secondary (up to 600V) Cable and Equip. Installation	Accepted		Rejected		Accepted	Accepted	Accepted	Accepted	Accepted	Accepted	Accepted
e. Hot work - Underground Cable System Construction and Maintenance	Rejected		Rejected		Accepted		Accepted	Accepted	Accepted	Accepted	Accepted
f. Plowing - Electrical Power Cable	Accepted		Rejected		Accepted		Accepted	Accepted		Accepted	Accepted
g. Plowing - Electrical Conduit	Rejected		Rejected		Accepted		Accepted	Accepted		Accepted	Accepted
h. Trenching - Electrical Conduit	Rejected		Rejected		Accepted	Accepted	Accepted	Accepted	Accepted	Accepted	Accepted
i. Pipe Pushing and Directional Boring			Rejected		Accepted		Accepted	Accepted	Accepted	Accepted	Accepted
B. TRANSMISSION (115kV TO 230kV):											
a. Hot work - Overhead Line Construction and Maintenance			Rejected		Accepted		Accepted	Accepted	Accepted	Accepted	Accepted
b. Wood Pole			Rejected		Accepted	Accepted	Accepted	Accepted	Accepted	Accepted	Accepted
c. Lattice Tower			Rejected		Accepted		Accepted	Accepted	Accepted	Accepted	Accepted
d. Steel, Concrete or Laminated Poles			Rejected		Accepted	Accepted	Accepted	Accepted	Accepted	Accepted	Accepted
e. Stringing & Sagging Conductor			Rejected		Accepted	Accepted	Accepted	Accepted	Accepted	Accepted	Accepted
C. SUBSTATION DE-ENERGIZED CONSTRUCTION:											
a. Excavation	Rejected			Rejected	Accepted	Accepted	Accepted	Accepted	Accepted	Accepted	Accepted
b. Concrete Foundations	Rejected	Rejected	Rejected	Rejected	Accepted	Accepted	Accepted	Accepted	Accepted	Accepted	Accepted
D. SUBSTATION ENERGIZED CONSTRUCTION:											
a. Excavation					Accepted	Accepted	Accepted	Accepted	Accepted	Accepted	
b. Concrete Foundations					Accepted	Accepted	Accepted	Accepted	Accepted	Accepted	
c. Complete installation			Rejected	Rejected	Accepted		Accepted	Accepted	Accepted	Accepted	
d. Installation and Field Wiring of Fabricated Panels					Accepted		Accepted	Accepted	Accepted	Accepted	
e. Power Transformer Assembly and Testing		Accepted			Accepted		Rejected	Rejected		Rejected	
f. Power Transformer Vacuum Oil Filling		Accepted			Accepted		Rejected	Rejected		Rejected	Rejected
E. SUBSTATION ENERGIZED MAINTENANCE:											
a. Maintenance of Power Transformer and LTC's		Accepted					Rejected	Rejected		Accepted	
b. Maintenance of High Voltage Breakers (115 and 230 kV)		Accepted					Rejected	Rejected		Accepted	
c. Substation Elec. Acceptance Testing, Field Testing and Commissioning		Accepted					Rejected	Rejected		Accepted	
d. Power Transformer Assembly, Oil Processing and Testing		Accepted					Rejected	Rejected		Accepted	
e. Power Transformer Vacuum Oil Filling		Accepted					Rejected	Rejected		Accepted	Rejected
F. LIGHTING:											
a. Street Lighting Installation	Accepted						Rejected	Accepted	Rejected	Accepted	
b. Street Lighting Maintenance	Accepted		Accepted				Rejected	Accepted	Rejected	Accepted	
G. STORM AND EMERGENCY RESPONSE (for categories listed above):					Rejected	Rejected	Rejected	Accepted	Rejected	Accepted	

APPENDIX A

Initials for review	1S	1S	1S	1S	1S	1S
2025 PREQUALIFICATION EVALUATION	AMERICAN ELECTRICAL SERVICES	AUBREY SILVEY	BLACK & McDONALD	CANNON CONSTRUCTION LLC (Bristol Bay Ind Co)	CASCADE CABLE CONSTRUCTORS	CASHE VALLEY ELECTRIC
Appendix A						
Requested \$\$ Amount in Millions	3M	50M	20M	25M	10M	250M
A. DISTRIBUTION (up to 15kV):						
a. Hot work - Overhead Line Construction and Maintenance	X		X	X		X
b. Overhead Construction	X		X	X		X
c. Underground - Primary (15kV) Cable and Equipment Installation	X		X	X		X
d. Underground - Secondary (up to 600V) Cable and Equip. Installation	X		X	X		X
e. Hot work - Underground Cable System Construction and Maintenance	X		X	X		X
f. Plowing - Electrical Power Cable	X		X	X	X	X
g. Plowing - Electrical Conduit			X	X	X	X
h. Trenching - Electrical Conduit	X		X	X	X	X
i. Pipe Pushing and Directional Boring			X	X	X	X
B. TRANSMISSION (115kV TO 230kV):						
a. Hot work - Overhead Line Construction and Maintenance			X	X		X
b. Wood Pole			X	X		X
c. Lattice Tower			X	X		X
d. Steel, Concrete or Laminated Poles			X	X		X
e. Stringing & Sagging Conductor			X	X		X
C. SUBSTATION DE-ENERGIZED CONSTRUCTION:						
a. Excavation	X			X	X	X
b. Concrete Foundations	X	X	X	X		X
D. SUBSTATION ENERGIZED CONSTRUCTION:						
a. Excavation						X
b. Concrete Foundations						X
c. Complete installation						X
d. Installation and Field Wiring of Fabricated Panels			X	X		X
e. Power Transformer Assembly, Oil Processing and Testing		X				X
f. Power Transformer Vacuum Oil Filling		X				X
E. SUBSTATION ENERGIZED MAINTENANCE:						
a. Maintenance of Power Transformer and LTC's		X				
b. Maintenance of High Voltage Breakers (115 and 230 kV)		X				
c. Substation Elec. Acceptance Testing, Field Testing and Commissioning		X				
d. Power Transformer Assembly, Oil Processing and Testing		X				
e. Power Transformer Vacuum Oil Filling		X				
F. LIGHTING:						
a. Street Lighting Installation	X			X		
b. Street Lighting Maintenance	X		X	X		
G. STORM AND EMERGENCY RESPONSE (for categories listed above):						
				X		X

RESOLUTION NO. 9078

A RESOLUTION SUPERSEDING RESOLUTION NO. 6425 AND AUTHORIZING GRANT PUD'S
GENERAL MANAGER/CEO TO ACT ON BEHALF OF GRANT PUD IN EMERGENCY
SITUATIONS AND EXIGENT CIRCUMSTANCES

Recitals

1. Pursuant to Resolution No. 6425 adopted July 29, 1991, the General Manager/CEO is authorized to act on behalf of Grant PUD in Emergency Situations;
2. Grant PUD is generally required to follow competitive procurement requirements for the award of contracts in accordance with RCW 54.04.070 and 2 CFR 200.320;
3. RCW 54.04.070 provides that public utility districts may award contracts in emergency situations without first advertising for competitive bids;
4. Contracts funded, in whole or in part, by federal funds, are subject to 2 CFR 200.320, which states noncompetitive procurements may be used when the public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
5. "Emergency Situations" and "Public Emergency" for purposes of this resolution will mean sudden, unexpected, and unusually dangerous situations requiring immediate action or an urgent need for assistance or relief when the public interest or Grant PUD property would suffer material injury or damage by delay associated with using competitive procurement procedures;
6. "Exigent Circumstances" and "Public Exigency" is applicable to procurements funded, in whole or in part, by federal funds and for purposes of this resolution will mean an urgent need to avoid, prevent, or alleviate serious harm or injury, financial or otherwise when the public interest or Grant PUD property would suffer material injury or damage by delay associated with using competitive procurement procedures; and
7. Grant PUD's Board of Commissioners desires to delegate to Grant PUD's General Manager/CEO the authority to proclaim the existence of Emergency Situations and Exigent Circumstances under appropriate circumstances, and waive the competitive procurement requirements of RCW 54.04.070 and 2 CFR 200.320.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington, that:

Section 1. Grant PUD's General Manager/CEO is hereby authorized to proclaim for and on behalf of Grant PUD's Board of Commissioners the existence of Emergency Situations and Exigent Circumstances in appropriate conditions as defined above.

Section 2. The proclamation declaring an Emergency Situation and Exigent Circumstances, and the facts constituting the same shall be documented in writing by the General Manager/CEO and made available to the Board of Commissioners as soon as possible after the event or occurrence giving rise to the Emergency Situation or Exigent Circumstances.

Section 3. The competitive procurement requirements of RCW 54.04.070 and 2 CFR 200.320 may be waived by the General Manager/CEO for and on behalf of the Board of Commissioners after the General

Manager/CEO has ensured and documented that precautions have been taken to secure the lowest price practicable under the circumstances.

Section 4. Resolution 6425 and all prior resolutions and motions to the extent that they conflict with this resolution are hereby superseded.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 25th day of February, 2025.

President

ATTEST:

Secretary

Vice President

Commissioner

Commissioner

MEMORANDUM

January 30, 2025

TO: Grant PUD Board of Commissioners

VIA: Rich Wallen, General Manager/Chief Executive Officer
Fallon Long, Chief Enterprise Shared Services Officer

FROM: Patrick Bishop, Senior Manager Supply Chain/Procurement

SUBJECT: Revise Resolution 6425 Related to Emergency Situations

DS
FL

DS
PB

Purpose: To request Commission approval to supersede Resolution 6425 and incorporate federal requirements for emergency situations and exigent circumstances.

Discussion: As we near implementation of an External Funding Program to pursue federal funds, we need to ensure the applicable federal requirements are incorporated into the documents that govern our procurement processes.

Resolution No. 6425 authorizes the General Manager/CEO to act on behalf of Grant PUD in emergency situations and waive Washington State competitive procurement requirements, when necessary, to avoid, prevent, or alleviate material injury or damage to the public interest or Grant PUD property by delays associated with advertising for competitive bids. The proposed revisions will authorize the General Manager/CEO to also waive federal competitive procurement requirements when a public exigency or emergency exists and federal funds will apply to the procurement, in whole or in part.

The documentation in this packet includes:

- New Resolution
- Commission memo
- Resolution 6425
- Red-lined version of Resolution 6425 to easily identify edits

Recommendation: Commission approval to supersede Resolution 6425 and incorporate federal requirements for emergency situations and exigent circumstances.

Legal Review: See attached email.

RESOLUTION NO. XXXX

A RESOLUTION SUPERSEDING RESOLUTION NO. 6425 AND AUTHORIZING GRANT PUD ~~THE DISTRICT'S~~ GENERAL MANAGER/CEO TO ACT ON BEHALF OF GRANT PUD ~~THE DISTRICT~~ IN EMERGENCY SITUATIONS AND EXIGENT CIRCUMSTANCES

Recitals

1. Pursuant to Resolution No. 6425 adopted July 29, 1991, the General Manager/CEO is authorized to act on behalf of Grant PUD in Emergency Situations;

~~1.2. Grant PUD The District~~ is generally required to follow competitive procurement bidding requirements for the award of contracts having an estimated cost in excess of \$10,000.00 in accordance with RCW 54.04.070 and 2 CFR 200.320; ~~and~~

3. RCW 54.04.070 provides that public utility districts may award contracts in emergency situations without first advertising for competitive bids; ~~and~~

4. Contracts funded, in whole or in part, by federal funds, are subject to 2 CFR 200.320, which states noncompetitive procurements may be used when the public exigency or emergency for the requirement will not permit a delay resulting from providing public notice of a competitive solicitation;

5. "Emergency Situations" and "Public Emergency" for purposes of this resolution will mean a sudden, unexpected, and unusually dangerous situations requiring immediate action or an urgent need for assistance or relief and unanticipated occurrence when the public interest or Grant PUD property of ~~the District~~ would suffer material injury or damage by delay associated with using competitive procurement procedures ~~advertising the contract prior to award;~~

6. "Exigent Circumstances" and "Public Exigency" ~~for purposes of this resolution is applicable to procurements funded, in whole or in part, by federal funds and for purposes of this resolution will mean an urgent need to avoid, prevent, or alleviate serious harm or injury, financial or otherwise when the public interest or Grant PUD property would suffer material injury or damage by delay associated with using competitive procurement procedures;~~ and

~~2. and~~

~~3.7. Grant PUD The District's~~ Board of Commissioners desires to delegate to Grant PUD ~~the District's~~ General Manager/CEO the authority to proclaim the existence of Emergency Situations and Exigent Circumstances under appropriate circumstances, ~~and and~~ waive the competitive bidding procurement requirements of RCW 54.04.070 and 2 CFR 200.320.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington, that as follows:

Section 1. Grant PUD ~~The District's~~ General Manager/CEO is hereby authorized to proclaim for and on behalf of Grant PUD ~~the District's~~ Board of Commissioners the existence of Emergency Situations and Exigent Circumstances in appropriate circumstances ~~conditions~~ as defined above.

Section 2. The proclamation declaring an Emergency Situation and Exigent Circumstances, and the facts constituting the same shall be documented in writing by the General Manager/CEO and made available to the Board of Commissioners as soon as possible after the event or occurrence giving rise to the Emergency Situation or Exigent Circumstances.

Section 3. The competitive bid procurement requirements of RCW 54.04.070 and 2 CFR 200.320 may be waived by the General Manager/CEO for and on behalf of the Board of Commissioners after the General Manager/CEO has einsured and documented that precautions have been taken to secure the lowest price practicable under the circumstances.

Section 4. Resolution 6425 and all prior resolutions and motions to the extent that they conflict with this resolution are hereby superseded.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this ____ day of _____, 2025.

President

ATTEST:

Secretary

Vice President

Commissioner

Commissioner

RESOLUTION NO. 9079

A RESOLUTION SUPERSEDING RESOLUTION NO. 8608 AND
ESTABLISHING DELEGATED PURCHASING AUTHORITY LIMITS

Recitals

Grant PUD's Commission has determined that it is desirable and in the best interest of Grant PUD to make changes to the levels of purchasing authority delegated to Grant PUD's management.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington that:

Section 1. Grant PUD's General Manager/CEO or their delegate is hereby delegated authority to enter into contracts, except for the purchase of real property, for and on behalf of Grant PUD which do not exceed the sum of \$1,000,000. The General Manager/CEO or their delegate may, in their discretion, refer any purchase of any amount to the Commission for approval.

Section 2. All contracts shall be in strict compliance with all laws and Grant PUD policies. Grant PUD's General Counsel shall approve all policies and forms to be used for procurement. Any contract which is not on an approved Grant PUD boilerplate form shall first be submitted for review by Grant PUD's General Counsel.

Section 3.

- A. Contracts for lease of real property exceeding \$5,000.00 per year shall be reported in writing to the Commission as soon as practical following execution.
- B. Purchases of goods or services shall not be split for purposes of avoiding the limitations contained herein.
- C. Any purchase of goods or services approved by management pursuant to this resolution must be included in Grant PUD's current approved budget.
- D. Emergency purchases shall continue to be governed by Grant PUD Resolution No. XXXX or its successors (no dollar limit on General Manager's/CEO's authority).
- E. Wholesale electric power purchases shall continue to be governed by Grant PUD Resolution No. 7650 or its successors.

Section 4. Except as otherwise provided herein, all purchases of goods or services shall require prior Commission approval by motion or resolution.

Section 5. The authority of the General Manager/CEO as specified in Section 1 shall be reviewed by the Commission in February 2026 and every subsequent February occurring in even numbered years.

Section 6. This resolution shall supersede and amend all prior Grant PUD resolutions, including Resolution No. 8608, to the extent that they conflict with the delegation limits set forth in this resolution.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 25th day of February, 2025.

President

ATTEST:

Secretary

Vice President

Commissioner

Commissioner

RESOLUTION NO. XXXX

A RESOLUTION SUPERSEDING RESOLUTION NO. 8608 AND
ESTABLISHING DELEGATED PURCHASING AUTHORITY LIMITS

Recitals

Grant PUD's Commission has determined that it is desirable and in the best interest of Grant PUD to make changes to the levels of purchasing authority delegated to Grant PUD's management.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington that:

Section 1. Grant PUD's General Manager/CEO or their delegate is hereby delegated authority to enter into contracts, except for the purchase of real property, for and on behalf of Grant PUD which do not exceed the sum of \$1,000,000. The General Manager/CEO or their delegate may, in their discretion, refer any purchase of any amount to the Commission for approval.

Section 2. All contracts shall be in strict compliance with all laws and Grant PUD policies. Grant PUD's General Counsel shall approve all policies and forms to be used for procurement. Any contract which is not on an approved Grant PUD boilerplate form shall first be submitted for review by Grant PUD's General Counsel.

Section 3.

- A. Contracts for lease of real property exceeding \$5,000.00 per year shall be reported in writing to the Commission as soon as practical following execution.
- B. Purchases of goods or services shall not be split for purposes of avoiding the limitations contained herein.
- C. Any purchase of goods or services approved by management pursuant to this resolution must be included in Grant PUD's current approved budget.
- D. Emergency purchases shall continue to be governed by Grant PUD Resolution No. XXXX or its successors (no dollar limit on General Manager's/CEO's authority).
- E. Wholesale electric power purchases shall continue to be governed by Grant PUD Resolution No. 7650 or its successors.

Commented [L1]: Number to be assigned after 2/11 (will be the new resolution superseding 6425).

Section 4. Except as otherwise provided herein, all purchases of goods or services shall require prior Commission approval by motion or resolution.

Section 5. The authority of the General Manager/CEO as specified in Section 1 shall be reviewed by the Commission in February 2026 and every subsequent February occurring in even numbered years.

Section 6. This resolution shall supersede and amend all prior Grant PUD resolutions, including Resolution No. 8608, to the extent that they conflict with the delegation limits set forth in this resolution.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this ____ day of _____, 2025.

ATTEST:

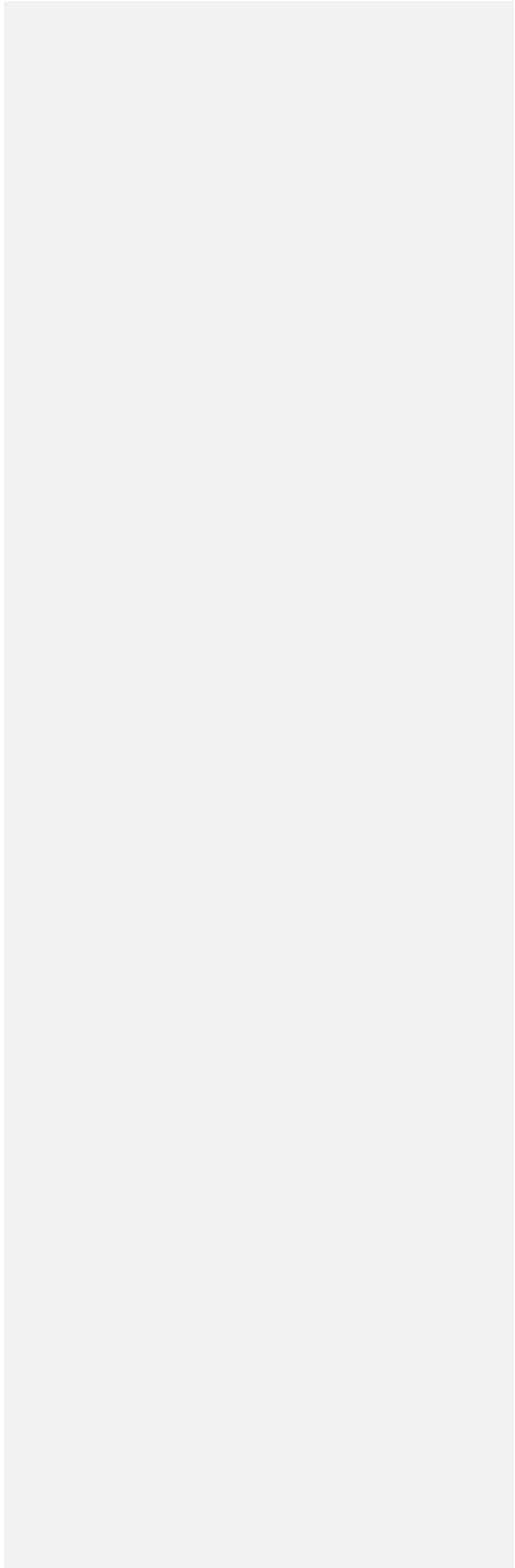
Secretary

Commissioner

President

Vice President

Commissioner



MEMORANDUM

January 30, 2025

TO: Grant PUD Board of Commissioners

VIA: Rich Wallen, General Manager/Chief Executive Officer
Fallon Long, Chief Enterprise Shared Services Officer

FROM: Patrick Bishop, Senior Manager Supply Chain/Procurement

SUBJECT: Revise Resolution 8608, Delegated Purchasing Authority Limits

DS
FL

DS
PB

Purpose: To request Commission approval to supersede Resolution 8608 and to update information related to Delegated Purchasing Authority Limits.

Discussion:

Revisions include:

- Remove Auditor from the review process for non-standard contract boilerplates. Audit is no longer a part of that contract review process.
- Remove reference to Resolution No. 6425, which is being superseded. The new resolution number will be added once it has been assigned.
- Add “or its successor” after each referenced resolution. This will minimize the need for updates to this resolution anytime the referenced documents are revised.

The documentation in this packet includes:

- New Resolution
- Commission memo
- Resolution 8608
- Red-lined version of Resolution 8608 to easily identify edits

Recommendation: Commission approval to supersede Resolution 8608, and update information related to Delegated Purchasing Authority Limits.

Legal Review: See attached email.

RESOLUTION NO. XXXX

A RESOLUTION ~~SUPERSEDING RESOLUTION NO. 8534~~608 AND
ESTABLISHING DELEGATED PURCHASING AUTHORITY LIMITS ~~AND SUPERSEDING~~
~~RESOLUTION NO. 8534~~

Recitals

~~Grant PUD~~The District's Commission has determined that it is desirable and in the District's best interest of Grant PUD to make changes to the levels of purchasing authority delegated to ~~the District~~Grant PUD's management.

NOW, THEREFORE, BE IT RESOLVED by the ~~Board of Commissioners~~ of Public Utility District No. 2 of Grant County, Washington that:

Section 1. ~~Grant PUD~~The District's General Manager/CEO or ~~their~~his delegate is hereby delegated authority to enter into contracts, except for the purchase of real property, for and on behalf of Grant PUD~~the District~~ which do not exceed the sum of \$1,000,000. The General Manager/CEO or ~~their~~his delegate may, in their discretion, refer any purchase of any amount to the Commission for approval.

Section 2. All contracts shall be in strict compliance with all laws and Grant PUD~~District~~ policies. Grant PUD~~The District~~'s General Counsel shall approve all policies and forms to be used for procurement. Any contract which is not on ~~an the District's~~ approved Grant PUD boilerplate form shall first be submitted for review by Grant PUD~~the District's~~ General Legal Counsel ~~or Auditor~~.

Section 3.

- A. Contracts for lease of real property exceeding \$5,000.00 per year shall be reported in writing to the Commission as soon as practical following execution.
- B. Purchases of goods or services shall not be split for purposes of avoiding the limitations contained herein.
- C. Any purchase of goods or services approved by management pursuant to this resolution must be included in Grant PUD~~the District's~~ current approved budget.
- D. Emergency purchases shall continue to be governed by ~~District~~Grant PUD Resolution No. ~~6425XXXX~~ or its successors (no dollar limit on General Manager's/CEO's authority).
- E. Wholesale electric power purchases shall continue to be governed by Grant PUD ~~District~~ Resolution No. 7650 ~~or its successors~~.

Section 4. Except as otherwise provided herein, all purchases of goods or services shall require prior Commission approval by motion or resolution.

Section 5. The authority of the General Manager/CEO as specified in Section 1 shall be reviewed by the Commission in February ~~2014~~2026 and every subsequent February occurring in even numbered years.

Section 6. This resolution shall be effective ~~_____~~ and shall supersede and amend all prior Grant PUD~~District~~ resolutions, including Resolution No. ~~8608~~534, to the extent that they conflict with the delegation limits set forth in this resolution.

Commented [L1]: Will fill this in once we know the timing of Commission action. Or it can be effective upon action by the Commission (the date of the resolution). Preference?

Commented [LE2R1]: We have the passed date down below, so I vote for removing the reference to effective date per the updates I made. If there's an issue with that, feel free to revert back.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this ____ day of _____, 2025.

President

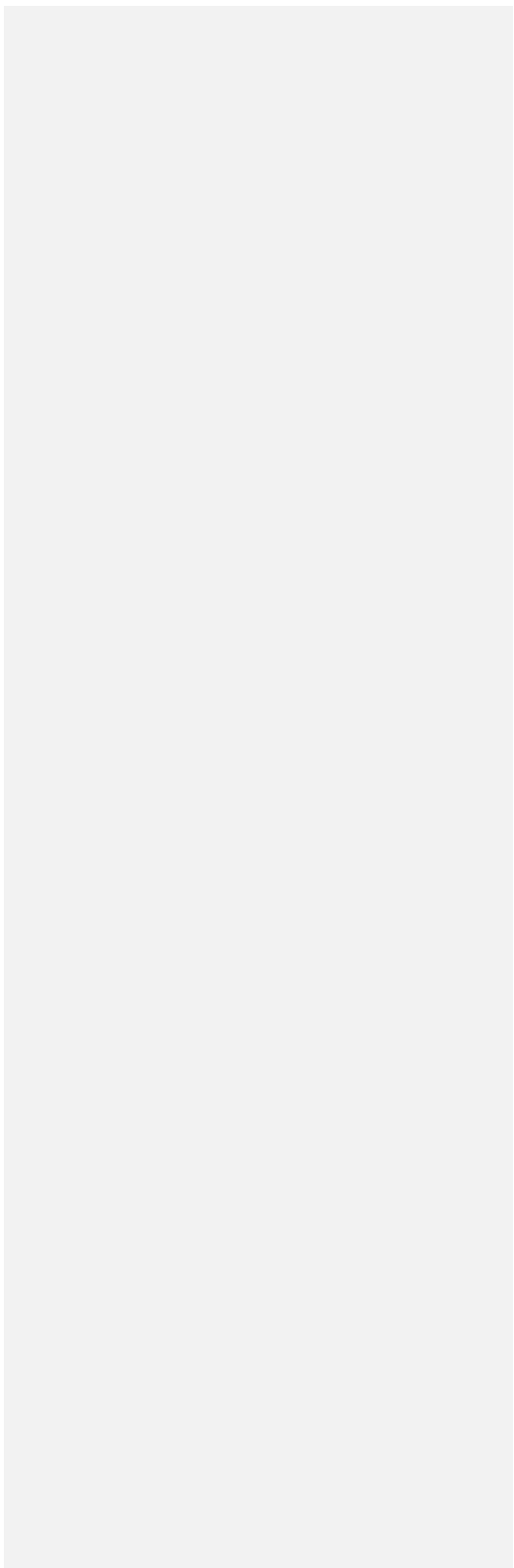
ATTEST:

Secretary

Vice President

Commissioner

Commissioner



RESOLUTION NO. 9080

A RESOLUTION SUPERSEDING RESOLUTION NO. 8609 AND
ESTABLISHING CHANGE ORDER APPROVAL LIMITS

Recitals

Grant PUD's Commission has determined that it is desirable and in the best interest of Grant PUD to make changes to the levels of change order approval authority delegated to Grant PUD's management.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington, as follows:

Section 1. All change orders shall require prior approval by Commission motion except as provided below.

Section 2. The General Manager/CEO or their delegate is hereby delegated the authority to execute one or more change orders to any existing contract, provided the cumulative dollar amount of the particular contract, including all prior change orders and the new change order(s), does not exceed the Commission delegated contract authority limits under Resolution No. XXXX or its successors.

Section 3. For contracts which have received prior Commission approval by motion or resolution, the General Manager/CEO or their delegate may execute one or more change orders, provided the dollar amount of the new change order(s), on a cumulative basis, does not exceed \$500,000.00.

Section 4. A report of all change orders shall be provided to the Commission monthly.

Section 5. All change orders shall be in strict compliance with all laws and Grant PUD policies. Grant PUD's General Counsel shall approve all policies and forms to be used for procurement.

Section 6. The authority of the General Manager/CEO to approve change orders as specified in Section 3 shall be reviewed by the Commission in February 2026 and every subsequent February occurring in even numbered years.

Section 7. This resolution shall supersede and amend all prior resolutions, including Resolution No. 8609 to the extent that they conflict with the delegation limits set forth in this resolution.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 25th day of February, 2025.

ATTEST:

President

Secretary

Vice President

Commissioner

Commissioner

MEMORANDUM

January 30, 2025

TO: Grant PUD Board of Commissioners

VIA: Rich Wallen, General Manager/Chief Executive Officer
Fallon Long, Chief Enterprise Shared Services Officer

FROM: Patrick Bishop, Senior Manager Supply Chain/Procurement

SUBJECT: Revise Resolution 8609, Change Order Approval Limits

DS
FL

DS
PB

Purpose: To request Commission approval to supersede Resolution 8609 and to update information related to change order approval limits.

Discussion:

Revisions include:

- Remove reference to Resolution No. 8608, which is being superseded. The new resolution number will be added once it has been assigned.
- Add “or its successors” after the referenced contract-related resolution. This will minimize the need for updates to this resolution anytime the referenced document is superseded.

The documentation in this packet includes:

- New Resolution
- Commission memo
- Resolution 8609
- Red-lined version of Resolution 8609 to easily identify edits

Recommendation: Commission approval to supersede Resolution 8609 and to update information related to change order approval limits.

Legal Review: See attached email.

Attorney review _____
Auditor review _____
Manager review C

RESOLUTION NO. 8609

A RESOLUTION ESTABLISHING NEW CHANGE ORDER
APPROVAL LIMITS AND SUPERSEDING RESOLUTION NO. 8535

Recitals:

The District's Commission has determined that it is desirable and in the District's best interests to make changes to the levels of change order approval authority delegated to the District's management.

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of Public Utility District No. 2 of Grant County, Washington, as follows:

Section 1. All change orders shall require prior approval by Commission motion except as provided below.

Section 2. The General Manager or his/her delegate is hereby delegated the authority to execute one or more change orders to any existing contract, provided the cumulative dollar amount of the particular contract, including all prior change orders and the new change order(s), does not exceed the Commission delegated contract authority limits under Resolution No. 8608 as the same may be amended from time to time.

Section 3. For contracts which have received prior Commission approval by motion or resolution, the General Manager or his/her delegate may execute one or more change orders, provided the dollar amount of the new change orders(s), on a cumulative basis, does not exceed \$500,000.00.


Section 4. A report of all change orders shall be provided to the Commission monthly.

Section 5. All change orders shall be in strict compliance with all laws and District policies. The District's General Counsel shall approve all policies and forms to be used for procurement.

Section 6. The authority of the General Manager to approve change orders as specified in Section 3 shall be reviewed by the Commission in February 2014 and every subsequent February occurring in even numbered years.

Section 7. This resolution shall be effective April 1, 2012 and shall supersede and amend all prior resolutions, including Resolution No. 8535 to the extent that they conflict with the delegation limits set forth in this resolution.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 12th day of March, 2012.




President

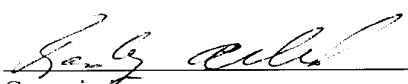
ATTEST:

Secretary

Vice President



Commissioner



Commissioner

RESOLUTION NO. XXXX

A RESOLUTION SUPERSEDING RESOLUTION NO. 85358609 -AND
ESTABLISHING NEW CHANGE ORDER
APPROVAL LIMITS AND SUPERSEDING RESOLUTION NO. 8535

Recitals

Grant PUD~~The District~~'s Commission has determined that it is desirable and in the ~~District's~~ best interest of Grant PUD to make changes to the levels of change order approval authority delegated to ~~Grant PUD~~~~the District~~'s management.

NOW, THEREFORE, BE IT RESOLVED by the ~~Board of Commissioners~~ of Public Utility District No. 2 of Grant County, Washington, as follows:

Section 1. All change orders shall require prior approval by Commission motion except as provided below.

Section 2. The General Manager/CEO or ~~their~~his/~~her~~ delegate is hereby delegated the authority to execute one or more change orders to any existing contract, provided the cumulative dollar amount of the particular contract, including all prior change orders and the new change order(s), does not exceed the Commission delegated contract authority limits under Resolution No. ~~XXXX8608~~ or its successors as the same may be amended from time to time.

Section 3. For contracts which have received prior Commission approval by motion or resolution, the General Manager/CEO ~~or and their~~his/~~her~~ delegate may execute one or more change orders, provided the dollar amount of the new change order(s), on a cumulative basis, does not exceed \$500,000.00.

Section 4. A report of all change orders shall be provided to the Commission monthly.

Section 5. All change orders shall be in strict compliance with all laws and Grant PUD~~District~~ policies. Grant PUD~~The District~~'s General Counsel shall approve all policies and forms to be used for procurement.

Section 6. The authority of the General Manager/CEO to approve change orders as specified in Section 3 shall be reviewed by the Commission in February 2026~~14~~ and every subsequent February occurring in even numbered years.

Section 7. This resolution ~~shall be effective~~ _____ ~~and~~ shall supersede and amend all prior resolutions, including Resolution No. 8609~~535~~ to the extent that they conflict with the delegation limits set forth in this resolution.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this ____ day of _____, ~~2012~~2025.

President

ATTEST:

Secretary

Vice President

Commissioner

Commissioner

RESOLUTION NO. 9081

A RESOLUTION SUPERSEDING RESOLUTION NO. 8643 AND DELEGATING THE PROCESS
FOR DISPOSITION OF SURPLUS PERSONAL PROPERTY TO THE GENERAL MANAGER/CEO

Recitals

1. Pursuant to Resolution No. 8643 adopted October 8, 2012, authority for the disposition of Grant PUD personal property was delegated to the General Manager/CEO;
2. RCW 54.16.180 authorizes Grant PUD to sell, convey, lease, or otherwise dispose of all or any part of Grant PUD property which has become unserviceable, inadequate, obsolete, worn out or unfit for Grant PUD operations and which is no longer necessary, material to, and useful in such operations;
3. Certain provisions of 2 CFR 200, including but not limited to 200.311 thru 200.315, guide the disposition of property acquired or improved with federal funds;
4. From time to time, Grant PUD has miscellaneous surplus personal property of nominal value for which it has a need to dispose of in a timely and cost-effective manner;
5. Grant PUD's Commission has delegated the authority to the General Manager/CEO the sale of any personal property which has become unserviceable, inadequate, obsolete, worn out, and/or unfit to be used in Grant PUD operations, provided such sale is consistent with prudent utility practices and is done pursuant to RCW 54.16.180 and/or 39.33.010 and the disposition provisions of 2 CFR 200, when applicable;
6. The proceeds of any sale shall be paid to Grant PUD except for those associated with the disposition of property acquired or improved with federal funds, where the applicable federal agency may be entitled to an amount of the proceeds in accordance with 2 CFR 200; and
7. A report of all dispositions of surplus personal property with an estimated fair market value over \$10,000 shall be provided to the Commission.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington that:

Section 1. The General Manager/CEO has the authority to sell, convey, lease, or otherwise dispose of all or any part of Grant PUD personal property consistent with prudent utility practices and pursuant to RCW 54.16.180 and/or 39.33.010 and the disposition provisions of 2 CFR 200, when applicable.

Section 2. Resolution 8643 and all prior resolutions and motions to the extent that they conflict with this resolution are hereby superseded.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 25th day of February, 2025.

President

ATTEST:

Secretary

Vice President



Commissioner

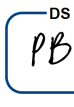
Commissioner

MEMORANDUM

January 30, 2025

TO: Grant PUD Board of Commissioners

VIA: Rich Wallen, General Manager/Chief Executive Officer 
Fallon Long, Chief Enterprise Shared Services Officer 

FROM: Patrick Bishop, Senior Manager Supply Chain/Procurement 

SUBJECT: Revise Resolution 8643 Related to the Surplus of Grant PUD Property

Purpose: To request Commission approval to supersede Resolution 8643 and incorporate federal disposition requirements, when applicable, into Grant PUD's surplus process.

Discussion: As we near implementation of an External Funding Program to pursue federal funds, we need to ensure the applicable federal requirements are incorporated into the documents that govern our surplus process.

Resolution No. 8643 delegates the process for disposition of surplus Grant PUD property to the General Manager/CEO, provided such disposition is consistent with prudent utility practices and in accordance with RCW 54.16.180 and/or 39.33.010. The proposed revisions will incorporate the disposition requirements of the Code of Federal Regulations (CFR), when applicable. When certain property that was acquired or improved with federal funds is no longer needed for the authorized purpose, we are required to obtain disposition instructions from the federal agency or pass-through entity. Further, the federal agency may be entitled to an amount of the proceeds where required by the CFRs. These requirements may apply to various types of property (equipment, supplies, intangible property, real property, etc.).

The documentation in this packet includes:

- New Resolution
- Commission memo
- Resolution 8643
- Red-lined version of Resolution 8643 to easily identify edits

We are also updating our Surplus Policy and Surplus Guide.

Recommendation: Commission approval to supersede Resolution 8643 and incorporate federal disposition requirements, when applicable, into Grant PUD's surplus process.

Legal Review: See attached email.

Attorney review see email
Auditor review see email
Manager review [Signature]

RESOLUTION NO. 8643

A RESOLUTION SUPERSEDING RESOLUTION NO. 8559 AND DELEGATING
THE PROCESS FOR SALE OR DISPOSITION OF SURPLUS PERSONAL
PROPERTY TO THE GENERAL MANAGER

Recitals:

1. Pursuant to Resolution No. 8559 adopted July 11, 2011, the District revised policies and procedures for the sale or disposition of surplus personal property;
2. RCW 54.16.180 authorizes the District to sell, convey, lease or otherwise dispose of all or any part of District property which has become unserviceable, inadequate, obsolete, worn out or unfit for District operations and which is no longer necessary, material to, and useful in such operations;
3. The District from time to time has miscellaneous surplus personal property of nominal value for which it has a need to dispose of in a timely and cost-effective manner;
4. The District's Commission has determined that it is desirable and in the District's best interest to delegate the authority to the General Manager the sale of any personal property which has become unserviceable, inadequate, obsolete, worn out, and/or unfit to be used in District operations, provided such sale is consistent with prudent utility practices and is done pursuant to RCW 54.16.180 and/or 39.33.010;
5. The proceeds of any sale shall be paid to the District; and
6. A report of all dispositions of surplus personal property with an estimated fair market value over \$10,000 shall be provided to the Commission.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington that the General Manager has been delegated the authority to sell, convey, lease or otherwise dispose of all or any part of District personal property consistent with prudent utility practices and pursuant to RCW 54.16.180 and/or RCW 39.33.010.

BE IT FURTHER RESOLVED that Resolution No. 8559 and all prior resolutions and motions to the extent that they conflict with this resolution are hereby superseded.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 8th day of October, 2012.

President

ATTEST:

[Signature]
Secretary

[Signature]
Vice President

[Signature]
Commissioner

Commissioner

RESOLUTION NO. XXXX

A RESOLUTION SUPERSEDING RESOLUTION NO. 8643 AND DELEGATING THE PROCESS FOR DISPOSITION OF SURPLUS PERSONAL PROPERTY TO THE GENERAL MANAGER/CEO

Recitals

1. Pursuant to Resolution No. 8643 adopted October 8, 2012, authority for the disposition of Grant PUD~~District~~ personal property was delegated to the General Manager/CEO;
2. RCW 54.16.180 authorizes Grant PUD~~the District~~ to sell, convey, lease, or otherwise dispose of all or any part of ~~District~~-Grant PUD property which has become unserviceable, inadequate, obsolete, worn out or unfit for Grant PUD~~District~~ operations and which is no longer necessary, material to, and useful in such operations;
- ~~2-3.~~ Certain provisions of 2 CFR 200, including but not limited to 200.311 thru 200.315, guide the disposition of property acquired or improved with federal funds;
- ~~3-4.~~ From time to time, The District~~Grant PUD from time to time~~ has miscellaneous surplus personal property of nominal value for which it has a need to dispose of in a timely and cost-effective manner;
- ~~4-5.~~ The District's~~Grant PUD's~~ Commission has determined that it is desirable and in the District's best interest to~~delegat~~e the authority to the General Manager/CEO the sale of any personal property which has become unserviceable, inadequate, obsolete, worn out, and/or unfit to be used in Grant PUD~~District~~ operations, provided such sale is consistent with prudent utility practices and is done pursuant to RCW 54.16.180 and/or 39.33.010 and the disposition provisions of 2 CFR 200, when applicable;
- ~~5-6.~~ The proceeds of any sale shall be paid to Grant PUD~~the District~~ except for those associated with the disposition of property acquired or improved with federal funds, where the applicable federal agency may be entitled to an amount of the proceeds in accordance with 2 CFR 200; and
- ~~6-7.~~ A report of all dispositions of surplus personal property with an estimated fair market value over \$10,000 shall be provided to the Commission.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington that:

Section 1. The General Manager/CEO has ~~been delegated~~ the authority to sell, convey, lease, or otherwise dispose of all or any part of Grant PUD~~District~~ personal property consistent with prudent utility practices and pursuant to RCW 54.16.180 and/or 39.33.010 and the disposition provisions of 2 CFR 200, when applicable.

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Section 2.

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~~BE IT FURTHER RESOLVED that~~ Resolution 8643 and all prior resolutions and motions to the extent that they conflict with this resolution are hereby superseded.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant
County, Washington, this ____ day of _____, ~~2025~~.

President

ATTEST:

Secretary

Vice President

Commissioner

Commissioner

RESOLUTION NO. 9082

A RESOLUTION SUPERSEDING RESOLUTION NO. 8921 IMPLEMENTING
SENATE BILL 5418

Recitals

1. Resolution 8921, dated August 13, 2019, implemented Engrossed Substitute Senate Bill 5418, which revised RCW 54.04.082 to read as follows:

“For the awarding of a contract to purchase any item, or items of the same kind of materials, equipment, or supplies in an amount exceeding thirty thousand dollars per calendar month, but less than one hundred twenty thousand dollars per calendar month, exclusive of sales tax, the commission may, in lieu of the procedure described in RCW 54.04.070 and 54.04.080 requiring public notice to invite sealed proposals for such materials, equipment, or supplies, pursuant to commission resolution use the process provided in RCW 39.04.190. Waiver of the deposit or bid bond required under RCW 54.04.080 may be authorized by the commission in securing such bid quotations.”

2. Management desires to incorporate the procurement standards of 2 CFR 200 for the purchase of any item or items of the same kind of materials, equipment or supplies which may be funded, in whole or in part, by federal funds. Where state and federal requirements differ, the more stringent requirements shall apply.

NOW, THEREFORE, BE IT RESOLVED that the Commission of Public Utility District No. 2 of Grant County, Washington, hereby authorize as follows:

Section 1: Purchases of any item or items of the same kind of materials, equipment or supplies in an amount of \$30,000 or less shall not require competitive bidding but shall require prior approval of the General Manager/CEO or their delegate; and

Section 2: Purchases of any item or items of the same kind of materials, equipment or supplies in an amount exceeding \$30,000 but less than \$120,000 per calendar month may be made in accordance with the provisions of Section 3 below and shall require the prior approval of the General Manager/CEO or their delegate; and

Section 3: Purchases of any item or items of the same kind of materials, equipment or supplies in an amount exceeding \$30,000 but less than \$120,000 per calendar month may be made in accordance with RCW 39.04.190 and the following procedures:

- A. Grant PUD’s Procurement staff, pursuant to RCW 39.04.190, shall secure and document telephone and/or written quotations from at least three different vendors or Grant PUD’s vendor list to assure that a competitive price is established and for awarding of any such contract; and
- B. No bid deposit or bid bond shall be required; and
- C. The contract award shall be made to the lowest responsible bidder; and
- D. Immediately after the contract is made, all bid quotations shall be recorded, open to public inspection, and shall be available by inquiry; and

E. All contracts shall be on Grant PUD’s standard contract or purchase order form and terms and conditions unless otherwise approved in advance by Grant PUD’s General Counsel.

Section 4: For purposes of RCW 54.04.070 and 54.04.080, the term “same kind of materials, equipment and supplies” shall mean items which are not different in essential elements and, under the particular circumstances calling for the usage or application, would be interchangeable one with the other and fulfill all purposes and requirements for which the items were being purchased or acquired.

Section 5: If a purchase of any item or items of the same kind of materials, equipment or supplies may be funded, in whole or in part, by federal funds, the procurement standards of 2 CFR 200 shall apply unless the state requirements above are more stringent.

Section 6: This Resolution shall rescind and supersede Resolution No. 8921 and any other prior related resolutions, to the extent that they conflict with this resolution.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 25th day of February, 2025.

President

ATTEST:

Secretary

Vice President

Commissioner

Commissioner

MEMORANDUM

January 30, 2025

TO: Grant PUD Board of Commissioners

VIA: Rich Wallen, General Manager/Chief Executive Officer
Fallon Long, Chief Enterprise Shared Services Officer

FROM: Patrick Bishop, Senior Manager Supply Chain/Procurement

DS
FL

DS
PB

SUBJECT: Revise Resolution 8921 Related to the Purchase of Materials, Equipment, and Supplies

Purpose: To request Commission approval to supersede Resolution 8921 and incorporate federal procurement requirements, when applicable, into the purchase of materials, equipment, or supplies over \$30,000 but less than \$120,000.

Discussion: As we near implementation of an External Funding Program to pursue federal funds, we need to ensure the applicable federal requirements are incorporated into the documents that govern our procurement processes.

Resolution No. 8921 implements Senate Bill 5418 related to the purchase of any item, or items of the same kind of materials, equipment, or supplies in an amount exceeding \$30,000 per calendar month, but less than \$120,000 per calendar month. The proposed revisions incorporate the federal procurement standards of 2 CFR 200, which shall apply to these procurements when they are funded in whole or in part with federal funds. State requirements shall apply to federal procurements only where state requirements are more stringent.

We are also updating the relevant Procurement policies and procedures.

The documentation in this packet includes:

- New Resolution
- Commission memo
- Resolution 8921
- Red-lined version of Resolution 8921 to easily identify edits

Recommendation: Commission approval to supersede Resolution 8921 and incorporate federal procurement requirements, when applicable, into the purchase of materials, equipment, or supplies over \$30,000 but less than \$120,000.

Legal Review: See attached email.

RESOLUTION NO. 8921

A RESOLUTION IMPLEMENTING SENATE BILL 5418 AND SUPERSEDING
RESOLUTION NO. 8245

Recitals

1. In its 2019 Regular Session, the Washington State Legislature passed Engrossed Substitute Senate Bill 5418, which revised RCW 54.04.082 to read as follows:

“For the awarding of a contract to purchase any item, or items of the same kind of materials, equipment, or supplies in an amount exceeding thirty thousand dollars per calendar month, but less than one hundred twenty thousand dollars per calendar month, exclusive of sales tax, the Commission may, in lieu of the procedure described in RCW 54.04.070 and 54.04.080 requiring public notice to invite sealed proposals for such materials, equipment, or supplies, pursuant to commission resolution use the process provided in RCW 39.04.190. Waiver of the deposit or bid bond required under RCW 54.04.080 may be authorized by the commission in securing such bid quotations.”

2. The Commission desires to implement the provisions of Senate Bill 5418.

NOW, THEREFORE, BE IT RESOLVED that the Commission of Public Utility District No. 2 of Grant County, Washington, hereby authorize as follows:

Section 1: Purchases of any item or items of the same kind of materials, equipment or supplies in an amount of \$30,000.00 or less shall not require competitive bidding but shall require prior approval of the General Manager/CEO or his/her delegate; and

Section 2: Purchases of any item or items of the same kind of materials, equipment or supplies in an amount exceeding \$30,000.00 but less than \$120,000.00 per calendar month may be made in accordance with the provisions of Section 3 below and shall require the prior approval of the General Manager/CEO or his/her delegate; and

Section 3: Purchases of any item or items of the same kind of materials, equipment or supplies in an amount exceeding \$30,000.00 but less than \$120,000.00 per calendar month may be made in accordance with RCW 39.04.190 and the following procedures:

- A. The District’s Procurement staff, pursuant to RCW 39.04.190, shall secure and document telephone and/or written quotations from at least three different vendors or the District’s vendor list to assure that a competitive price is established and for awarding of any such contract;
- B. No bid deposit or bid bond shall be required;
- C. The contract award shall be made to the lowest responsible bidder;

- D. Immediately after the contract is made, all bid quotations shall be recorded, open to public inspection, and shall be available by inquiry; and
- E. All contracts shall be on the District’s standard contract or purchase order form and terms and conditions unless otherwise approved in advance by the District’s legal counsel.


Section 4: For purposes of RCW 54.04.070 and 54.04.080, the term “same kind of materials, equipment and supplies” shall mean items which are not different in essential elements and, under the particular circumstances calling for the usage or application, would be interchangeable one with the other and fulfill all purposes and requirements for which the items were being purchased or acquired.

Section 5: This Resolution shall rescind and supersede Resolution No. 8245 and any other prior related resolutions, to the extent that they conflict with this resolution.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 13th day of August, 2019.



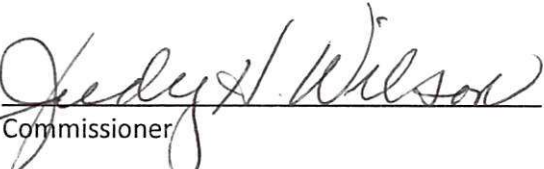
President

ATTEST:


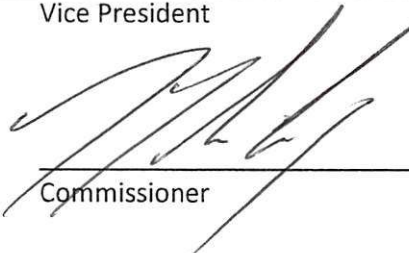
Secretary



Vice President



Commissioner



Commissioner

RESOLUTION NO. XXXX

A RESOLUTION SUPERSEDING RESOLUTION NO. 8921 IMPLEMENTING
SENATE BILL 5418 ~~AND SUPERSEDING RESOLUTION NO. 8245~~

Recitals

1. ~~Resolution 8921, dated August 13, 2019, implemented in its 2019 Regular Session, the Washington State Legislature passed~~ Engrossed Substitute Senate Bill 5418, which revised RCW 54.04.082 to read as follows:

“For the awarding of a contract to purchase any item, or items of the same kind of materials, equipment, or supplies in an amount exceeding thirty thousand dollars per calendar month, but less than one hundred twenty thousand dollars per calendar month, exclusive of sales tax, the commission may, in lieu of the procedure described in RCW 54.04.070 and 54.04.080 requiring public notice to invite sealed proposals for such materials, equipment, or supplies, pursuant to commission resolution use the process provided in RCW 39.04.190. Waiver of the deposit or bid bond required under RCW 54.04.080 may be authorized by the commission in securing such bid quotations.”

2. ~~Management The Commission~~ desires to incorporate the procurement standards of 2 CFR 200 for the purchase of any item or items of the same kind of materials, equipment or supplies which may be funded, in whole or in part, by federal funds. Where state and federal requirements differ, the more stringent requirements shall apply.
2. ~~implement the provisions of Senate Bill 5418.~~

NOW, THEREFORE, BE IT RESOLVED that the Commission of Public Utility District No. 2 of Grant County, Washington, hereby authorize as follows:

Section 1: Purchases of any item or items of the same kind of materials, equipment or supplies in an amount of \$30,000 or less shall not require competitive bidding but shall require prior approval of the General Manager/CEO or their/his/her delegate; and

Section 2: Purchases of any item or items of the same kind of materials, equipment or supplies in an amount exceeding \$30,000 but less than \$120,000 per calendar month may be made in accordance with the provisions of Section 3 below and shall require the prior approval of the General Manager/CEO or their/his/her delegate; and

Section 3: Purchases of any item or items of the same kind of materials, equipment or supplies in an amount exceeding \$30,000 but less than \$120,000 per calendar month may be made in accordance with RCW 39.04.190 and the following procedures:

- A. ~~GThe District Grant PUD's~~ Procurement staff, pursuant to RCW 39.04.190, shall secure and document telephone and/or written quotations from at least three different vendors or ~~the District Grant PUD's~~ vendor list to assure that a competitive price is established and for awarding of any such contract; and
- B. No bid deposit or bid bond shall be required; and
- C. The contract award shall be made to the lowest responsible bidder; and

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D. Immediately after the contract is made, all bid quotations shall be recorded, open to public inspection, and shall be available by inquiry; and

E. All contracts shall be on ~~the District~~Grant PUD's standard contract or purchase order form and terms and conditions unless otherwise approved in advance by ~~the Grant PUD~~District's General legal Counsel.

Section 4: For purposes of RCW 54.04.070 and 54.04.080, the term "same kind of materials, equipment and supplies" shall mean items which are not different in essential elements and, under the particular circumstances calling for the usage or application, would be interchangeable one with the other and fulfill all purposes and requirements for which the items were being purchased or acquired.

Section 5: If a purchase of any item or items of the same kind of materials, equipment or supplies may be funded, in whole or in part, by federal funds, the procurement standards of 2 CFR 200 shall apply unless the state requirements above are more stringent.

Section 6: This Resolution shall rescind and supersede Resolution No. ~~8245921~~ and any other prior related resolutions, to the extent that they conflict with this resolution.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this ____ day of _____, 2025.

President

ATTEST:

Secretary

Vice President

Commissioner





Commissioner

Motion authorizing the General Manager/CEO to execute Change Order No. 26 to Contract 230-4249 with Andritz Hydro Corp increasing the not-to-exceed contract amount by \$788,776.00 plus applicable sales tax for a new contract total of \$3,545,746.57 and resetting the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for charges incurred as a result of Change Order No. 26.

**MEMORANDU
M**

January 2025

TO: Richard Wallen, General Manager/Chief Executive Officer

VIA: Jeff Grizzel, Chief Operating Officer  1/21/2025
Rey Pulido, Director of Power Production  1/21/2025
Dale Campbell, Senior Manager of Power Production  1/21/2025
Stuart Hammond, Engineering Manager, Turbine-Generator  1/21/2025

FROM: Mark Beaulieu, Mechanical Engineer

SUBJECT: Contract 230-4249, Change Order No. 26

Purpose:

To request Commission approval of Change Order No. 26 to Contract 230-4249 for the not to exceed amount of \$788,776.00. This change is to provide Stroke Limiting Rings, O-ring Grooves, Tapped Jacking Holes, Transducer Mounting Surfaces, Rod Eye Blind Tapped Holes; Rod Eye Bushings and Washers, New Link Rods, Super Bolts, and Indication Grinding and Weld Repairs for Unit 7 and Unit 8 servomotor as part of the Priest Rapids Turbine Rehabilitation Project.

Discussion:

In 2016 Andritz Hydro was awarded Contract 230-4249 to complete the rehabilitation of all ten pairs of the Priest Rapids wicket gate servomotors. The servomotor rehabilitation work is performed at Andritz Hydro in Spokane Valley, Washington. To this date, six pairs of servomotors have been rehabilitated. The District uses Voith on-site labor for the servo motor disassembly and removal from each Unit and for on-site loading/unloading the servomotors for transportation. The District is responsible for supplying the wicket gate servomotor link pin, rod eye washers and bushings, and the outer tube packing. The remainder of the components that are replaced are supplied by Andritz. This includes the wear rings, wear ring spacers (if applicable), outer tube guide bushings, cast iron piston rings, and link rods.

Since the beginning of the Servomotor Rehabilitation contract (230-4249) in 2016, there have been periodic additions to the scope of work required to fully rehabilitate the servomotors based on inspections completed after disassembly. In some cases, additional work has been unique to particular Units. In other cases, additional scope items have been identified on all previous Units and will also be required for the remaining Units. The purpose of Change Order #26 is to consolidate these known scope of work items that need to be completed on Units 7 and 8.

The scope of this change order includes an improved Link Rod / Rod Eye design. The original design has been shown to lack robustness and it appears prone to premature Link Rod thread failure. This design upgrade has been installed on other Units and it would benefit the District to install the new design on all power production Units at Priest Rapids. The new Link Rod / Rod Eye design will improve the expected

reliability and maintainability of the servomotors. Other improvements in this change order include upgrades that will make preventative and overhaul maintenance easier, reduce or prevent oil leaks, and increase the expected future life expectancy of the servomotor components. The new Rod Eye Bushing/Washer design makes it easier for Hydro instrument and controls technicians to precisely adjust the servomotor stroke position. Excavation grinding and weld repair of crack indications is necessary to ensure the servomotor components are restored to a fully rehabilitated condition. Any structural cracks that have initiated in the servomotor components will be identified and repaired to prevent them from growing and causing unpredictable Unit outages in the future. The completion of all the work outlined above will ensure that these servomotors are ready to operate reliably for years to come.

Justification:

This Change Order only addresses two Units instead of four because the Contractor had concerns about a longer-term agreement due to the volatile marketplace and cost uncertainty. All of the line items in Change Order #26 are additions to the base scope of work. They have already been performed on other rehabilitated Units at Priest Rapids dam, and are necessary for servomotor daily operation, reliability, and/or long-term maintainability.

Financial Considerations:

This work falls under the parent projects for the 7th and 8th Priest Rapids Turbine Upgrades. The cost for the work under this CO is included in the current financial project and budget. The District has not identified any alternative options that would be less costly. These change order costs have been determined to be fair and reasonable.

Change Order History: See attached change order table.

Legal Review: See attached email.

Recommendation:

Commission approval of Change Order No. 26 to Contract 230-4249 with Andritz to provide Stroke Limiting Rings, O-ring Grooves, Tapped Jacking Holes, Transducer Mounting Surfaces, Rod Eye Blind Tapped Holes; Rod Eye Bushings and Washers, New Link Rods, Super Bolts, and Indication Grinding and Weld Repairs for Unit 7 and Unit 8, for the not to exceed price of \$788,776.00.

CHANGE ORDER
NO. 26

Pursuant to Section GC-11, the following changes are hereby incorporated into this Contract:

A. Description of Change:

1. For Units 7 and 8, Contractor shall supply and install one stroke limiting ring, per cylinder end. Rings shall be installed on the opening side of the servomotor stroke and shall be bolted to the cylinder ends. Bolts shall be locked with NORD-LOCK® wedge lock washers. Bolts shall be torqued to ensure proper preloading. Servomotor stroke shall be limited to 32.5". The final thickness dimensions of the stroke limiting rings shall be reviewed and approved by the District Representative.

The total cost to perform this work shall not exceed \$45,615.00 per Unit. This change results in an increase to the Contract Price. This Contract Price increase shall not exceed \$91,230.00.

2. For Units 7 and 8, Contractor shall machine O-ring grooves in the two-bolt oil port blank flanges on each servomotor cylinder. Each servomotor contains three oil ports per cylinder. Port flanges shall be machined flat to ensure proper seal.

The total cost to perform this work shall not exceed \$9,321.00 per Unit. This change results in an increase to the Contract Price. This Contract Price increase shall not exceed \$18,642.00.

3. For Units 7 and 8 Contractor shall drill and tap two jacking screw holes in each servomotor bell end flange to be used for future disassembly.

The total cost to perform this work shall not exceed \$4,288.00 per Unit. This change results in an increase to the Contract Price. This Contract Price increase shall not exceed \$8,576.00.

4. For Units 7 and 8, Contractor shall machine a flat face at the top of the East servomotor bell end flange to provide a flat mounting surface for the servomotor position sensor bracket.

The total cost to perform this work shall not exceed \$3,060.00 per Unit. This change results in an increase to the Contract Price. This Contract Price increase shall not exceed \$6,120.00.

5. For Units 7 and 8, Contractor shall drill and tap a 1"-8 thread x 2-3/4" deep blind hole at the end of each rod eye. Spot face screw hole surface 2-1/2" diameter minimum depth required to clean.

The total cost to perform this work shall not exceed \$3,235.00 per Unit. This change results in an increase to the Contract Price. This Contract Price increase shall not exceed \$6,470.00.

6. For Units 7 and 8, Contractor shall perform machining of the servomotor rod eye bushings and washers (see Voith Drawing No. 2TKV04-0621-10132191) as necessary to install

bushings at Contractor’s shop. The rod eye bushings will be supplied by the District with final ID dimensions and oversized OD dimensions to be machined by Contractor to fit final rehab rod eye bore dimensions. Bushing and washer final dimensional specifications shall be reviewed and approved by the District Representative prior to final machining.

The total cost to perform this work shall not exceed \$30,947.00 per Unit. This change results in an increase to the Contract Price. This Contract Price increase shall not exceed \$61,894.00.

- 7. For Unit 7, the Contractor shall manufacture two Link Rod Forgings in accordance with Andritz Drawing No. A80046-030-7900-003. These will be stored for use in completing Line Item 8 on future Units.

The total cost to perform this work shall not exceed \$38,900.00 per Unit. This change results in an increase to the Contract Price. This Contract Price increase shall not exceed \$38,900.00.

- 8. For Units 7 and 8, the Contractor shall manufacture two Link Rods and perform machining modifications to the existing Rod Ends. All machining and modifications shall be in accordance with Andritz Drawing Nos. A80046-030-7900-002 and A80046-030-7900-003.

The total cost to perform this work shall not exceed \$237,930.00 per Unit. This change results in an increase to the Contract Price. This Contract Price increase shall not exceed \$475,860.00.

- 9. For Units 7 and 8, the Contractor shall supply two Superbolt Tensioners in accordance with Andritz Drawing No. A80046-030-7900-001.

The total cost to perform this work shall not exceed \$5,542.00 per Unit. This change results in an increase to the Contract Price. This Contract Price increase shall not exceed \$11,084.00.

- 10. For Units 7 and 8, Contractor shall perform excavation grinding and weld repair of NDE indications on the servomotor components as specifically directed by the District Representative and in accordance with the approved welding procedure specification (WPS).

The total cost to perform this work shall not exceed \$35,000.00 per Unit. This change results in an increase to the Contract Price. This Contract Price increase shall not exceed \$70,000.00.If additional work is required beyond the amount allocated here, it will be addressed in future change orders for each applicable Unit.

The table below summarizes the Contract Price Changes for this Change Order:

Change Order 26 Line Items	Contract Price Change
A.1	\$91,230.00
A.2	\$18,642.00
A.3	\$8,576.00
A.4	\$6,120.00

A.5	\$6,470.00
A.6	\$61,894.00
A.7	\$ 38,900.00
A.8	\$475,860.00
A.9	\$11,084.00
A.10	\$70,000.00
CO 26 Net Total	\$788,776.00

The Contractor shall be compensated at the following rates for work performed under the above Change Order line items. These prices include all labor, equipment, materials, shipping, and all other miscellaneous costs required to fully complete the work in accordance with the Contract. These rates shall be itemized on invoices submitted to the District.

Description	Rate
Project Management	\$ 322.00/Hr.
Commercial Management	\$ 322.00/Hr.
Welder / Assembly / Small Machine (shop)	\$ 199.00/Hr.
Machinist Mid Machines	\$ 223.00/Hr.
Machinist Large Machines	\$ 265.00/Hr.
Materials (excluding consumables)	Cost + 15%
OT (week)	Hourly Rate * 1.5
OT (weekend)	Hourly Rate * 2.0

11. Price Adjustment: Hourly rates in the table above shall be subject to the following price adjustment provision for Unit 8 only.

Unit 8 payments, to the Contractor, for Change Order 26, shall be adjusted in accordance with the following provisions and may be adjusted upward or downward depending on the indexes defined below:

- a) Management Cost Adjustment: Management cost shall be adjusted by the percent change in the Employer Costs for Employee Compensation CMU201000000000D (<http://data.bls.gov/timeseries/CMU201000000000D>), as determined and reported by the Bureau of Labor Statistics of the U.S. Department of Labor.
 - 1. Base Management Cost shall be the Employer Costs listed for the First Quarter of 2025.
 - 2. The Management Cost Adjustment applies to the Project Management, Commercial Management, and Engineer (office) hourly rates. The Management Cost Adjustment comprises 100 percent of the management price adjustment.
 - 3. The Project Management Cost Adjustment shall be calculated by adjusting the hourly rates according to the percentage increase or decrease in the Index listed above, occurring between the Base Quarter and the Quarter containing the Notice to Proceed Date, for the Unit being calculated.

- b) Offsite Labor Cost Adjustment: Offsite Labor cost shall be adjusted by the percent change in the Total Compensation for Private Industry Workers in All Industries and Occupations Index, CIS201000000000I (<http://data.bls.gov/timeseries/CIS201000000000I>), as determined and reported by the Bureau of Labor Statistics of the U.S. Department of Labor.
 - 1. Base Offsite Labor Cost shall be the Employer Costs listed for the First Quarter of 2025.

- 2. The Offsite Labor Cost Adjustment applies to the Welding and all Machine Shop hourly rates. The Offsite Labor Cost Adjustment comprises 100 percent of the Offsite Labor price adjustment.
- 3. The Offsite Labor Cost Adjustment shall be calculated by adjusting the hourly rates according to the percentage increase or decrease in the Index listed above, occurring between the Base Quarter and the Quarter containing the Notice to Proceed Date, for the Unit being calculated.

- c) Substitution of Indices: Should either of the above indices or publications be discontinued, or should the basis of their calculation be modified, or for some other just cause, other appropriate indices may be substituted by mutual agreement between the District and the Contractor. To request an Index substitution, the Contractor shall submit a written request identifying the alternative Index and listing the reasons justifying the substitution. The District will review the written request and either approve or deny the request in writing. The District may also request Index substitutions in writing. Index substitutions shall only become final through an executed Change Order.
- d) Precision of Calculations: All calculations of price adjustments shall be made to the nearest fourth decimal place.
- e) Index Availability: If any cost adjustment index value for the appropriate financial quarter has not been published at the time of invoicing, the Contractor shall provide an adjustment invoice (or credit memo) within 60 days of the publish date for the appropriate financial quarter. All calculations and documentation shall be attached to the final invoice (or credit memo).

- B. Time of Completion: The completion date shall remain February 1, 2027. Liquidated damages, if any, shall be assessed based on the Unit completion date listed in the Notice to Proceed (NTP) for each respective Unit.
- C. Contract Price Adjustment: As a result of this Change Order, the not to exceed Contract Price shall be increased by the sum of \$788,776.00 plus applicable sales tax. This Change Order shall not provide any basis for any other payments to or claims by the Contractor as a result of or arising out of the performance of the work described herein. The new total revised maximum Contract Price is \$3,545,746.57, including changes incorporated by this Change Order.
- D. Except as specifically provided herein, all other Contract terms and conditions shall remain unchanged.

Public Utility District No. 2
of Grant County, Washington

Andritz Hydro Corp

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Contract Title: Priest Rapids Wicket Gate Servomotor Rehabilitation

Contract No.	230-4249	Award Date:	8/25/2016
Project Manager:	Tristan Poteet	Original Contract Amount:	\$771,220.00
District Representative (If Different):		Original Contract completion:	Based on NTP
Contractor:	Andritz Hydro Corp	Total CO Cost Change Amt	\$1,969,809.00

CO#	Change Description	Approved by	Approval Date	Revised Completion Date	Cost Change Amount	Revised Contract Amount	Authority Level Tracking
1	Increase the Contract Price for repairs to the outer tubes.	Dept Mgr	01/05/17	Based on NTP	\$17,971.00	\$789,191.00	\$17,971.00
2	Extend the NTP 1 completion date.	Dept Mgr	02/01/17	Based on NTP	\$0.00	\$789,191.00	\$17,971.00
3	Increase the Contract Price for repairs to the outer rod flanged end, supply of inner connecting rods and lock nuts, and as-built CAD drawings.	Sr Mgmt	03/17/17	Based on NTP	\$148,555.00	\$937,746.00	\$148,555.00
4	Extend the NTP 1 completion date.	Dept Mgr	06/09/17	Based on NTP	\$0.00	\$937,746.00	
5	Extend the NTP 1 completion date.	Dept Mgr	06/30/17	Based on NTP	\$0.00	\$937,746.00	
6	Extend the NTP 1 completion date.	Dept Mgr	07/20/17	Based on NTP	\$0.00	\$937,746.00	

7	Increase the Contract Price for installation of rings to limit stroke length.	Dept Mgr	09/13/17	Based on NTP	\$20,912.00	\$958,658.00	\$20,912.00
8	Extend the Unit 2, NTP 2 completion date.	Dept Mgr	06/06/18	Based on NTP	\$0.00	\$958,658.00	
9	Increase the Contract Price for weld repairs.	Dept Mgr	06/19/18	Based on NTP	\$8,500.00	\$967,158.00	\$8,500.00
10	Increase Contract Price for additional work on the Unit 2 servomotors.	Dept Mgr	07/16/18	Based on NTP	\$42,233.00	\$1,009,391.00	\$42,233.00
11	Extend the Unit 2, NTP 3 completion date.	Dept Mgr	08/30/18	Based on NTP	\$0.00	\$1,009,391.00	
12	Extend the Unit 2 NTP 2 and NTP 3 completion dates.	Dept Mgr	09/11/18	Based on NTP	\$0.00	\$1,009,391.00	
13	Extend the Unit 2 NTP 2 and NTP 3 completion dates.	Dept Mgr	09/27/18	Based on NTP	\$0.00	\$1,009,391.00	
14	Increase the Contract Price for weld repairs.	Comm	09/12/19	Based on NTP	\$72,000.00	\$1,081,391.00	\$72,000.00
15	Extend the Unit 3 NTP 4 completion date.	Managing Director	08/02/19	Based on NTP	\$0.00	\$1,081,391.00	

16	Supply two new inner connecting rods, machine two inner rod ends, supply two custom Super Bolt lock nuts to replace existing lock nuts, supply and install one stroke limiting ring onto Unit 3 servomotors, machine o-ring grooves in the two bolt oil port flanges, oversize the bore servo barrels, and extend the Unit 3 NTP 4 completion date.	Managing Director	09/17/19	Based on NTP	\$221,750.00	\$1,303,141.00	\$221,750.00
17	Supply two link rod forgings, manufacture new replacement link rods, machine existing link rod ends, and supply two superbolt tensioners in accordance with Contractor Proposal No. 00-60605 Rev. 3.	Managing Director	06/30/20	Based on NTP	\$180,540.00	\$1,483,681.00	\$180,540.00
18	Perform wear ring modification to the Unit 3 west servomotor	Senior Manager	09/16/20	Based on NTP	\$97,710.00	\$1,581,391.00	\$97,710.00
19	Perform wear ring modification to the Unit 3 east servomotor, investigate the condition of the Unit 3 west servomotor cylinder bore and provide custom made shims to correct out-of-roundness condition.	Comm	09/24/20	Based on NTP	\$140,440.00	\$1,721,831.00	\$140,440.00
20	Perform wear ring modifications for Unit Nos. 1 and 2.	Managing Director	10/20/20	Based on NTP	\$275,000.00	\$1,996,831.00	\$275,000.00

21	For Units 4 and 5 only, Contractor shall perform welding and machining repairs of visual and dimensional defects, supply and install one stroke limiting ring per cylinder end, machine O-ring grooves in the two-bolt oil port blank flanges on each servomotor cylinder, drill and tap two jacking screw holes in each servomotor bell end flange, and machine a flat spot at the top of the East servomotor bell end flange. For Unit 4 only, Contractor shall manufacture new gudgeon pin lock screw for West servomotor. Extend the Unit 4 NTP 5 completion date.	Managing Director	06/16/21	Based on NTP	\$177,569.00	\$2,174,400.00	\$177,569.00
22	Supply two link rod forgings, manufacture new replacement link rods, machine existing link rod ends, and supply two superbolt tensioners in accordance with	Comm	12/16/21	Based on NTP	\$226,620.00	\$2,401,020.00	\$226,620.00
23	For Units 5 and 6, perform machining of the servomotor rod eye bushings and washers, drill and tap blank hole at the end of each rod eye. For Unit 6, manufacture new replacement Link Rods and machine existing Rod Eyes, supply two Link Rod Forgings, supply two Superbolt	Managing Director	06/27/23	Based on NTP	\$340,009.00	\$2,741,029.00	\$340,009.00

24	Replace Off-Site/Factory Labor Adjustment index for the base scope and other change orders.	Dept Mgr	10/09/23	N/A	\$0.00	\$2,741,029.00	
25	Reduce NTEs for CO 20 and CO22, and Update Unit 6 Scope of Work.	Dept Mgr	04/24/24	N/A	\$15,941.57	\$2,756,970.57	\$15,941.57
26	Extend Contract Completion date and Update Units 7-10 Scope of Work	Comm		12/31/29	\$788,776.00	\$3,545,746.57	\$788,776.00
Total Change Order Cost Change Amount					1,969,809.00		

Motion authorizing the General Manager/CEO to execute Amendment 3 to Contract 430-HFA 601-41H with Real Time Research Inc increasing the not-to-exceed contract amount by \$358,401.00 for a new contract total of \$978,845.00 and extending the completion date to March 31, 2026 and resetting the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for charges incurred as a result of Amendment 3.

MEMORANDUM

TO: Rich Wallen, General Manager/Chief Executive Officer

VIA: Jeff Grizzel, Chief Operating Officer
Ross Hendrick, Senior Manager of Environmental Affairs

FROM: Tom Dresser, Fish, Wildlife, and Water Quality Manager

DATE: February 11, 2025

SUBJECT: Contract 430-HFA 601-41H - Amendment #3 – Avian Predation on Juvenile Salmonids on the Middle Columbia River, 2025.

Purpose: To request Commission approval of Amendment #3 to contract 430-HFA 601-41H in the amount of \$358,501.00 and extend the completion date to March 31, 2026, for the continuation of avian predation research activities within the Columbia River Plateau (CRP) region.

Background: The Public Utility District No. 2 of Grant County, Washington (District) has been working in coordination with the Priest Rapids Coordinating Committee (PRCC) to implement specific measures contained in the Priest Rapids Salmon and Settlement Agreement (SSSA) to protect, mitigate, and enhance populations of non-ESA listed salmon species that migrate through the Priest Rapids Project (coho, sockeye, fall and summer Chinook). The SSSA was adopted into the District’s Federal Energy Regulatory Commission (FERC) License Order in April 2008.

A specific requirement of the District’s environmental stewardship obligations included under Part XV of the Agreement was the requirement for the creation of an account called the No Net Impact (NNI) Fund. The NNI Fund was created to provide additional financial capacity to implement measures to improve the survival of Covered Species¹ prior to the Project’s achievement of applicable juvenile project survival standards. The NNI Fund is intended to provide near-term compensation for annual survival that is less than the performance standards for spring Chinook, steelhead, summer Chinook and sockeye. Once it has been determined that performance standards have been achieved for a particular species, the NNI Fund annual contributions for that species were standards have been achieved would be terminated. NNI funds for yearling Chinook, juvenile steelhead and sockeye have been terminated.

At this time, the District continues to make contributions into the NNI account related to summer subyearling Chinook. This annual continuation in 2024 was \$705,232.57. Contributions into the NNI Fund total \$25,192,161.50 for years 2006-2024.

NNI Funds have been utilized by the District and PRCC to fund research activities conducted by Real-Time Research (RTR) and others since 2014 to assess avian predation on juvenile salmonids by Caspian Terns nesting within the CRP region. This includes colonies that are within foraging distance of the middle Columbia River and Priest Rapids Project. Research included in the 2025 proposal is a continuation of prior efforts that have been implemented to determine the effectiveness of ongoing dissuasion activities, evaluate changes in nesting distributions and colony size in the CRP, and determine changes in survival and predation rates on salmonids smolts by Caspian Terns. Information from these activities informs and aids the co-managers in the implementation of the avian predation management plans (including adaptive

¹ As defined in the Priest Rapids Salmon and Steelhead Settlement Agreement, “Covered Species” means spring, summer and fall Chinook salmon, sockeye salmon, steelhead and coho.

management). It also provides critical data to evaluate the effectiveness of those plans and identifies emerging predation concerns.

Justification: Amendment #3 to contract 430-HFA 601-41H supports the Districts efforts to achieve and maintain its environmental stewardship obligations included under Part XV of the Agreement (NNI Fund) as contained in the SSSA. Providing funds to support research efforts (like proposed) was also approved by the PRCC via a consensus-based approach and a potential consequence of not implementing Amendment #3 would be going against a decision by the PRCC and potentially being non-compliant with obligations under the SSSA and FERC License order for the Priest Rapids Project.

Financial Considerations: On September 30th, 2024, the NNI Fund 601 held \$5,766,503.00 of unencumbered funds (per the 2024 Q3 Habitat Fund 602 financial report), which are held in trust by the District for committee-approved NNI projects. More than sufficient funding is available, and a project of this type is an excellent example of what the NNI Funds were originally designed to accomplish.

If approved by the Commission, contract 430-HFA 601-41H would have a new Not-To-Exceed (NTE) amount of \$978,845.00. This item has available funding under NNI Fund 601, under Cost Center EB4200, and Initiative 601-41H, Avian Predation on ESA-listed Juvenile Salmonids on the Middle Columbia River. Tom Dresser is the District Representative.

Amendment History: The original awarded contract amount for contract 430-HFA 601-41H was \$297,669.00 on May 16, 2023. Two prior Amendments have been issued on contract 430-HFA 601-41H. Amendment #1 increased the NTE by \$8,746.00 for a revised maximum price of \$306,415.00. Amendment #2 was issued on March 11, 2024, which extended the contract completion date to March 31, 2025, and increased the maximum price by \$313,929.00. The total revised maximum price was \$620,344.00.

Legal Review: See attached email.

Recommendation: Commission approval of Amendment #3 in the amount of \$358,501.00 for a new total revised maximum price of \$978,845.00 and extended the completion date to March 31, 2026. This would allow RTR to continue to collect information on avian predation within the Columbia River Plateau region, which include colonies that are within foraging distance of the middle Columbia River and Priest Rapids Project.

From: [Jeff Grizzel](#)
To: [Ross Hendrick](#); [Tom Dresser](#)
Cc: [Shelli Tompkins](#)
Subject: Re: ACTION REQUIRED - REVIEW - EDIT - APPROVE - Commission Memo CO#3 - 430 HFA 601-41H and seek Jeff approval
Date: Wednesday, January 29, 2025 2:52:55 PM
Attachments: [image001.png](#)

I'm good with the memo.

Jeff

From: Ross Hendrick <Rhendr1@gcpud.org>
Sent: Wednesday, January 29, 2025 1:39 PM
To: Tom Dresser <TDresse@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>
Cc: Shelli Tompkins <stompkins@gcpud.org>
Subject: RE: ACTION REQUIRED - REVIEW - EDIT - APPROVE - Commission Memo CO#3 - 430 HFA 601-41H and seek Jeff approval

Approved, I made some minor editorial/formatting changes.

[@Jeff Grizzel](#), please see link below for review and approval.

 [430-HFA 601-41H Commission Memo_CO3.docx](#)

From: Tom Dresser <TDresse@gcpud.org>
Sent: Wednesday, January 29, 2025 12:47 PM
To: Ross Hendrick <Rhendr1@gcpud.org>
Cc: Shelli Tompkins <stompkins@gcpud.org>
Subject: ACTION REQUIRED - REVIEW - EDIT - APPROVE - Commission Memo CO#3 - 430 HFA 601-41H and seek Jeff approval

Action Required:	REVIEW - EDIT - APPROVE - Commission Memo CO#3 - 430 HFA 601-41H	
By When:	Date: 1/29/2025	Time: ASAP
Critical Info:		
Detailed Info (if needed):	This Commission memo seeks BOC approval of Change Order #3 to contract 430-HFA 601-41H in the amount of \$358,501.00 and extend the completion date to March 31, 2026, for the continuation of avian predation research activities within the Columbia River Plateau (CRP) region.	

AMENDMENT
NO. 3

Pursuant to Section 13, the following changes are hereby incorporated into this Agreement:

- A. Description of Change: Increase the Agreement Price, extend the Agreement completion date and replace Revised Exhibit “A” – PRCC Habitat Funds Project Specification Sheet in its entirety with Revised Exhibit “A” – PRCC NNI Funds, Project Specification Sheet (Amendment No. 3), attached hereto.
- B. Time of Completion: The revised completion date shall be March 31, 2026.
- C. Agreement Price Adjustment: As a result of this Amendment, the not to exceed Agreement Price shall be increased by the sum of \$358,501.00 including all applicable taxes. This Amendment shall not provide any basis for any other payments to or claims by the Contractor as a result of or arising out of the performance of the work described herein. The new total revised maximum Agreement Price is \$978,845.00, including all applicable taxes and changes incorporated by this Amendment.
- D. Except as specifically provided herein, all other Agreement terms and conditions shall remain unchanged.

Public Utility District No. 2
of Grant County, Washington

Real Time Research Inc

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

REVISED EXHIBIT “A”

PRCC NNI Funds, Project Specification Sheet

Avian Predation on ESA-Listed Juvenile Salmonids - 2025

Date submitted: January 9, 2025
Project Sponsor: Real Time Research, Inc. (RTR)
Project Liaison: PRCC Representative – Tom Dresser ~ TDresser@gcpud.org
Project Title: Avian Predation on Juvenile Salmonids on the Middle Columbia River, 2025
Project Type: Research (Avian Predation)

Location: The avian predation research activities will be conducted in the Columbia River Plateau (CRP) region and include colonies that are within foraging distance of the middle Columbia River. This encompasses/includes Potholes Reservoir, Lenore Lake, Banks Lake, Island 20, Hanford Island, and any incipient colonies that form in the CRP region above the Snake River confluence

Requested Funding Amount: \$358,501.00.

Project description: Similar to prior years, this work is part of a comprehensive program to implement avian predation management plans (including adaptive management), evaluate action effectiveness of those plans, and identify emerging predation concerns. Four primary objectives are included in this proposal as follows. Specific details on each objective can be reviewed in the proposal.

- Objective 1. Evaluate response of Caspian terns and other piscivorous colonial waterbirds to nest dissuasion activities on Goose Island and elsewhere in Potholes Reservoir.
- Objective 2. Determine changes in nesting distribution and colony size of Caspian terns and other piscivorous colonial waterbirds on or near the mid-Columbia River
- Objective 3. Determine changes in survival and predation rates on salmonid smolts by Caspian terns and other piscivorous colonial waterbirds nesting on or near the mid-Columbia River.
 - ✓ *Task 3.1. RIS Steelhead PIT-tagging*
 - ✓ *Task 3.2. PIT tag recovery*
 - ✓ *Task 3.3. Survival and predation rate analyses*
- Objective 4. Provide technical assistance to GPUD/PRCC in developing and adaptively managing short- and long-term plans to reduce avian predation on juvenile salmonids.
- Objective 5. Conduct an analysis of avian predation on double-tagged steelhead in the Priest Rapids Project in 2025.

Project Justification: This proposal provides NNI funds to ensure the continuation of a comprehensive program which informs and aids the co-managers in the implementation of the avian predation management plans (including adaptive management), provides data to evaluate the effectiveness of those plans and identify emerging predation concerns.

Project Cost: Real Time Research, Inc. is requesting \$358,501.00. Similar to years past, cost sharing provided by other agencies in 2025 (i.e., BPA, USACE, and BOR) reduces the costs to do the work proposed below with funding from the PRCC.

Estimated cost of the work proposed to the GPUD/PRCC in 2025 are provided by objective (see below). As was the case in previous years, most of the funding for avian predation RM&E in the Columbia River Basin in 2025 will come from other sources (e.g., BPA). Costs in 2025 are like those in 2024 but include an additional fixed-wing aerial survey as part of Objective 1 and the costs to analyze double tagged smolts as part of Objective 5 (a newly proposed objective).

Objective	Description	Estimated Cost
1	Evaluate response of Caspian terns and other piscivorous colonial waterbirds to nest dissuasion activities on Goose Island and elsewhere in Potholes Reservoir	\$59,855
2	Determine changes in the nesting distribution and colony size of Caspian terns and other piscivorous colonial waterbirds on or near the mid-Columbia River	\$75,469
3	Determine changes in survival and predation rates on salmonid smolts by Caspian terns and other piscivorous colonial waterbirds nesting on or near the mid-Columbia River	\$173,249
4	Provide technical assistance to GPUD/PRCC in developing and adaptively managing short- and long-term plans to reduce avian predation on juvenile salmonids	\$13,379
5	Conduct an analysis of avian predation on double-tagged steelhead in the Priest Rapids Project in 2025.	\$36,549
	Total Cost	\$358,501

Estimated Timeline: The field and data collection, data analysis, and reporting activities for the avian predation are anticipated to begin in February and extend through October 2025. Like prior years a draft report to the PRCC is anticipated to be provided to the PRCC in February 2026. Below is a proposed schedule for this proposal.

- (1) Feb – Mar 2025 Hire field crew & submit research permit applications (WDFW, USFWS, BOR)
- (2) Apr – Jul 2025 Colony monitoring.
- (3) Apr – Jun 2025 PIT-tagging of steelhead at Rock Island Dam.
- (4) Jul – Oct 2025 PIT tag recovery on bird colonies.
- (5) Jan 2026 Submit draft annual report.
- (6) Mar 2026 Submit final annual report

Deliverables: Research results would be presented in (1) an Annual Report, (2) periodic in season reports, (3) peer-reviewed journal articles, and (4) presentations at regional planning meetings and other professional meetings.



Change Order Table

Contract Title: Avian Predation on ESA-listed Juvenile Salmonids on the Middle Columbia River, 2023

Contract No.	430-HFA 601-41H	Award Date:	3/16/2023
Project Manager:	Curtis Dotson	Original Contract Amount:	\$297,669.00
District Representative (If Different):	Curtis Dotson	Original Contract completion:	3/31/2024
Contractor:	Real Time Research Inc		

CO#	Change Description	Approved by	Executed Date	Revised Completion Date	Cost Change Amount	Revised Contract Amount	Authority Level Tracking
1	Increase the Agreement Price	Senior/Plant Mgr	05/16/23	NA	\$8,746.00	\$306,415.00	\$8,746.00
2	Increase the Agreement Price and Extend Contract Completion Date and replace Exhibit "A" in its entirety	Executive Mgmt	03/11/24	03/25/25	\$313,929.00	\$620,344.00	\$322,675.00
3	Increase the Agreement Price and Extend Contract Completion Date.	Comm		03/31/26	\$358,501.00	\$978,845.00	\$681,176.00
Total Change Order Cost Change Amount					681,176.00		

For Commission Review – 02/11/2025

Motion authorizing the General Manager/CEO to execute Change Order No. 13 to Contract 130-09724 with Quanta Infrastructure Solutions Group, LLC, increasing the not-to-exceed contract amount by \$5,706,552.10 for a new contract total of \$110,316,381.25 with an extension of completion to January 31, 2026 and resetting the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for charges incurred as a result of Change Order No. 13.

xxxx

MEMORANDUM

12/31/2024

TO: Rich Wallen, General Manager/Chief Executive Officer

VIA: Julie Pyper, Chief Administrative Officer
Jeff Grizzel, Chief Operating Officer
Aaron Kuntz, Senior Manager of the EPMO
Travis Wisler, Manager of Power Delivery Projects

FROM: David Klinkenberg, District Representative

SUBJECT: Change Order No. 13 to Contract 130-09724, Grant County Load Growth Project (DB2)

Purpose:

To request Commission approval of Change Order No. 13 to Contract 130-09724 with Quanta Infrastructure Solutions Group, LLC. in the amount of \$5,706,552.10. This will increase the contract price from \$104,609,829.15 to \$110,316,381.25 and extend contract completion to January 31, 2026.

Discussion:

DB2 is using the Progressive Design Build project delivery method to design and construct 10 projects. When completed, these projects will help improve the District's system reliability and provide additional load service capacity for District customers. DB2 includes a combination of building new substations, expanding existing substations and constructing a new transmission line. The 11 project sites are Quincy Plains Substation Transformer Addition, Mountain View Mobile Tap, Mountain View Capacitor Banks, Royal Substation Rebuild, Burke Substation Rebuild, Baird Springs Substation, Frenchman Hills Breaker Addition, South Ephrata Substation & Ring Bus, Red Rock Substation, Red Rock Transmission Line and the addition of Mountain View Distribution (MWH06).

This change order, the Guaranteed Maximum Price (GMP) Amendment, locks in funding for the Mountain View Distribution (MWH06) procurement & construction scope, Red Rock Transmission Line labor rate increase, scope modifications to the South Ephrata Substation & Frenchman Hills Substation, Engineering effort to update the program as-builts to the District's drawing template, associated program management costs as well as project change requests that have occurred since the approval of GMP 3. Additionally, Burke Substation, Mountain View Cap Bank, Baird Springs Substation, Red Rock Substation, and Royal City Substation are to receive updates to the project as-builts to reflect the District's new drawing template. Below is a breakdown of each project site's cost, revised mechanical completion dates and summary of scope modifications included in this change order:

	Current Budget	Change Order No.13	Revised Total Cost
QISG - TOTAL COST	\$104,609,829	\$5,706,552	\$110,316,381
0.0 - General Conditions - Not to Exceed	\$21,930,147	\$2,616,826	\$24,546,972
1.0 - Quincy Plains Substation	\$1,635,687	N/A	\$1,635,687
2.0 - Burke Substation Rebuild	\$6,579,929	\$10,830	\$6,590,759
3.0 - Mountain View Cap Bank	\$16,005,025	(\$1,992,140)	\$14,012,885
3.0A - Mountain View Mobile Tap	\$2,682,352	N/A	\$2,682,352
3.0B - Mountain View Distribution (MWH06)	\$1,014,251	\$4,509,822	\$5,524,074
4.0 - Baird Springs Substation	\$10,369,731	\$12,010	\$10,381,741
5.0 - Red Rock Substation	\$6,661,965	\$8,789	\$6,670,754
6.0 - Frenchman Hill Substation	\$1,753,333	\$15,234	\$1,768,567
7.0 - Red Rock Transmission Line	\$21,081,623	\$315,692	\$21,397,315
8.0 - South Ephrata Substation	\$8,871,971	\$198,816	\$9,070,787
9.0 - South Ephrata Ring Bus	\$62,478	N/A	\$62,478
10.0 - Royal City Substation	\$5,961,337	\$10,673	\$5,972,010

	Initial Mechanical Completion Dates	Change Order No.7 Mechanical Completion Dates	Change Order No.13 Mechanical Completion Dates
1.0 - Quincy Plains Substation	Feb 12, 2021	Feb 12, 2021	
2.0 - Burke Substation Rebuild	May 7, 2021	June 25,2021	
3.0 - Mountain View Cap Bank	Jun 1, 2022	Oct 8, 2024	Transferred to QTEP
3.0A - Mountain View Mobile Tap	Mar 16, 2021	Apr 9, 2021	
3.0B - Mountain View Distribution (MWH06)			Dec 19, 2025
4.0 - Baird Springs Substation	Feb 8, 2022	Jun 1, 2023	
4.0A - Baird Springs Second Line Up		Feb 14, 2024	
5.0 - Red Rock Substation	TBD	Mar 29, 2024	
6.0 - Frenchman Hill Substation	Apr 27, 2022	Nov 7, 2023	
7.0 - Red Rock Transmission Line	TBD	Dec 16, 2024	Jun 2, 2025
8.0 - South Ephrata Substation	Jan 4, 2023	May 28, 2024	Aug 29, 2025
10.0 - Royal City Substation	Jan 7, 2022	Jul 22, 2022	

0.0 General Conditions: \$2,616,826 (Not to exceed)

- Project and construction management, procurement, scheduling and construction equipment for QISG, Potelco and Tommer.

2.0 Burke Substation: \$10,830

- Update station drawings to latest District substation drawing template.

3.0 Mountain View Cap Bank: (\$1,992,140)

- Cost reduction due to project transfer to QTEP.
- Removal of remaining protection & controls SOW.
- Update station drawings to latest District substation drawing template.

3.0B Mountain View Distribution (MWH06): \$4,509,822

- Procure material and construct two 41 MVA distribution transformer lineups to replace mobile transformers located at Mountain View Substation.

4.0 Baird Springs Substation: \$12,010

- Update station drawings to latest District substation drawing template.

5.0 Red Rock Substation: \$8,789

- Update station drawings to latest District substation drawing template.

6.0 Frenchman Hills Substation: \$15,234

- Revised lighting circuit scope.

7.0 Red Rock Transmission Line: \$315,692

- Labor rate adjustment to complete construction in 2025.

8.0 South Ephrata Substation & Ring Bus: \$198,816

- Potelco labor rate adjustment in 2025.
- Tommer labor rate adjustment in 2025.
- Complete design & material procurement.
- Update station drawings to latest District substation drawing template.
- Re-installation of the distribution rack.

10.0 Royal City Substation: \$10,673

- Update station drawings to latest District substation drawing template.

Justification:

Executing this change order is essential to finance the Design-Builder's outstanding scope of work related to the procurement and construction of the Mountain View Distribution (MWH06) Project. This change order is also necessary to facilitate the efficient planning and organization of the remaining tasks required to complete the scope of work in the Design-Build 2 project.

In the event of a delay in approving this change order, the procurement and delivery of crucial materials may also be delayed potentially pushing back the completion date of the Design Build 2 project and leading to increased costs for the Design Builder's general conditions.

Financial Considerations:

The budgeted cost for this project is based on a negotiation between the Design-Builder and the District. Per the Progressive Design-Build process, the Design-Build team was selected based on their qualifications. During Phase 1 planning, the Design-Build team developed and submitted their price proposal for Phase 2. Over the course of several months the District team and Design-Builder negotiated a final price. The District's review included input from District Staff, the project's owner's engineer – Stanley Consultants and a third-party construction estimator with Aubrey Silvey Enterprises.

The hourly labor rates, equipment rates, overhead costs, and profit margins in this contract have been determined to be fair and reasonable for both the Design-Builder and the District. Approximately 25% of this contract will be paid to the Design-Builder as a lump sum cost. The remaining 75% is a not to exceed price. Any cost savings associated with the not to exceed work will revert to the District at the end of the project.

The general conditions budget encompasses various expenditures such as project and construction management, procurement, scheduling and construction equipment for QISG, Potelco and Tommer. Historically, the project's monthly average expenditure has been \$350,000. The approximate monthly average expenditure for the remaining scope is \$260,000, with the anticipated completion of the DB2 project by January 31, 2026. The GMP4 general conditions budget is \$2,616,826.

This project is included in the District's capital budget.

Change Order History: (See attached change order table)

Change Orders #1, #2 & #3: Funded design work and long lead material procurement required to maintain project schedule during initial cost negotiations.

Change Order #4: Funded construction and remaining material procurement for the first eight project sites (Group 1).

Change Order #5: Funded District driven scope changes/additions to Group 1 Sites, Red Rock Substation material and construction costs and Red Rock Transmission Line engineering effort.

Change Order #6: District Driven Scope Additions.

Change Order #7: Guaranteed Maximum Price (GMP) Amendment. Locks in funding for the Red Rock Transmission Line material procurement, construction costs, associated program management, and project change requests that have occurred since the approval of GMP 2.

Change Order #8: Rejected, time extension placeholder

Change Order #9: Funded Customer driven scope addition at Barid Springs Substation

Change Order #10: Funded District driven scope/additions and Customer requested scope addition.

Change Order #11: Rejected, replaced via a work directive to be included in change order #13

Change Order #12: Funded long lead material procurement required to maintain project schedule.

Legal Review: See attached email.

Recommendation: Commission approval of Change Order No. 13 to Contract 130-09724 with Quanta Infrastructure Solutions Group in the amount of \$5,706,522.10 to complete the remaining scope of DB2, The Load Growth Program.

From: Travis Wiser <Twiser@gcpud.org>
Sent: Thursday, January 23, 2025 7:38 AM
To: Beau Schwab <bschwab@gcpud.org>
Cc: David Klinkenberg <dklinkenberg@gcpud.org>
Subject: (Commission Memo Approvals) Re: Design Build 2 (Load Growth Program) Commission Memo

Hi Beau,

I approve.

Travis

From: Beau Schwab <bschwab@gcpud.org>
Sent: Thursday, January 23, 2025 6:41 AM
To: Travis Wiser <Twiser@gcpud.org>
Cc: David Klinkenberg <dklinkenberg@gcpud.org>
Subject: FW: Design Build 2 (Load Growth Program) Commission Memo

Hello Travis – You are listed as an approver on the attached Commission Memo but I didn't see your approval below. Please review attached and provide approval or comments.

Thank you,

Beau Schwab

Procurement Officer II

EMAIL bschwab@gcpud.org

OFFICE (509) 754-7939

ADDRESS 14352 Hwy 243 S Bldg. 6, Beverly, WA 99321



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From: Jeff Grizzel <Jgrizzel@gcpud.org>
Sent: Thursday, January 9, 2025 11:30 AM
To: David Klinkenberg <dklinkenberg@gcpud.org>
Cc: Austin Blythe-Clark <ablytheclark@gcpud.org>; Andrew Sept <asept@gcpud.org>; Travis Wiser <Twiser@gcpud.org>
Subject: Re: Design Build 2 (Load Growth Program) Commission Memo

David - apologies for the delay. I'm good with the changes you've made and your explanations below. I support the memo as written.

Jeff

From: David Klinkenberg <dklinkenberg@gcpud.org>
Sent: Wednesday, January 8, 2025 6:35 PM
To: Jeff Grizzel <Jgrizzel@gcpud.org>
Cc: Austin Blythe-Clark <ablytheclark@gcpud.org>; Andrew Sept <asept@gcpud.org>; Travis Wiser <Twiser@gcpud.org>
Subject: RE: Design Build 2 (Load Growth Program) Commission Memo

Hi Jeff,

I am inquiring whether you had time review our return comments in blue below and are looking for your input.

Thank you

From: David Klinkenberg
Sent: Monday, January 6, 2025 5:29 PM
To: Julie Pyper <Jpyper@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Aaron Kuntz <Akuntz@gcpud.org>
Cc: Travis Wiser <Twiser@gcpud.org>; Austin Blythe-Clark <ablytheclark@gcpud.org>; Andrew Sept

[<asept@gcpud.org>](mailto:asept@gcpud.org)

Subject: RE: Design Build 2 (Load Growth Program) Commission Memo

Good Evening All,

Attached is the revised Commission Memo to reflect your comments except for three from Jeff which are outlined below.

Comment 1: Jeff G:

- “Is this the last anticipated change order for the entire DB2 project? If so, let’s state that at the end of this section so that’s clear up front”

Anticipated yes. But due to the volatility that we continue to see in the substation and transmission procurement markets, a time extension change order could be warranted, and with ongoing construction efforts there may be scope revisions and/or changes that also could warrant a change order, so I didn’t want to provide what could be a false narrative. Let me know what you think, and I will revise accordingly.

Comment 2: Jeff G:

- “Are we really saying Red Rock T line will be mechanically complete by June 2nd of this year??”

This is the mechanical completion date noted in the Program’s P6 schedule and denotes the mechanical completion date for the contractor’s scope of work. The contractor has mobilized, and structure foundation excavation is underway.

Comment 3: Jeff G:

- “This seems like an odd thing to include and doesn’t seem to match the General Conditions change order amount of \$2.6M included in the table above. I suggest explaining why the amounts differ to avoid confusion/raise questions or delete the sentence altogether.

The 2.6 million General Conditions costs are all aligned throughout the memo and supporting table, but if this sentence does not fit the rest of the narrative well, we can easily remove. Please advise.

Thank you for the review and support.

David, Austin and Andrew

From: Julie Pyper <Jpyper@gcpud.org>

Sent: Monday, January 6, 2025 10:14 AM

To: Jeff Grizzel <Jgrizzel@gcpud.org>; Aaron Kuntz <Akuntz@gcpud.org>; David Klinkenberg <dklinkenberg@gcpud.org>

Cc: Travis Wiser <Twiser@gcpud.org>; Austin Blythe-Clark <ablytheclark@gcpud.org>; Andrew Sept <asept@gcpud.org>

Subject: RE: Design Build 2 (Load Growth Program) Commission Memo

David – Thank you for drafting this and the opportunity to review.

I agree with the comments provided by Jeff and Aaron, I don't have anything further to add.

Please let me know if you have any questions or comment. Thank you and take care, Jules

Julie E. Pyper

Chief Administrative Officer

BUSINESS ADVANCEMENT office portfolio management – resource management | **enterprise project management office** enterprise technology – facilities & project services – power delivery – power production | **operational excellence** organizational change management – internal communications – corrective action program – continuous improvement



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OUR VALUES Safety | Innovation | Service | Teamwork | Respect | Integrity | Heritage

From: Jeff Grizzel <Jgrizzel@gcpud.org>
Sent: Thursday, January 2, 2025 3:58 PM
To: Aaron Kuntz <Akuntz@gcpud.org>; David Klinkenberg <dklinkenberg@gcpud.org>; Julie Pyper <Jpyper@gcpud.org>
Cc: Travis Wiser <Twiser@gcpud.org>; Austin Blythe-Clark <ablytheclark@gcpud.org>; Andrew Sept <asept@gcpud.org>
Subject: Re: Design Build 2 (Load Growth Program) Commission Memo

Dave - I have added my comments/questions to Aaron's version (attached). Thanks for the chance to review.

Jeff

From: Aaron Kuntz <Akuntz@gcpud.org>
Sent: Thursday, January 2, 2025 3:08 PM
To: David Klinkenberg <dklinkenberg@gcpud.org>; Julie Pyper <Jpyper@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>
Cc: Travis Wiser <Twiser@gcpud.org>; Austin Blythe-Clark <ablytheclark@gcpud.org>; Andrew Sept <asept@gcpud.org>
Subject: RE: Design Build 2 (Load Growth Program) Commission Memo

Dave,

I have reviewed the memo and made one suggestion (see attached).

Aaron

Aaron Kuntz
Senior Manager Enterprise Project Management Office
Grant County PUD
509-306-9099

From: David Klinkenberg <dklinkenberg@gcpud.org>

Sent: Tuesday, December 31, 2024 4:54 PM

To: Aaron Kuntz <Akuntz@gcpud.org>; Julie Pyper <Jpyper@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>

Cc: Travis Wiser <Twiser@gcpud.org>; Austin Blythe-Clark <ablytheclark@gcpud.org>; Andrew Sept <asept@gcpud.org>

Subject: Design Build 2 (Load Growth Program) Commission Memo

Importance: High

Good Afternoon All

I have attached the DB2 GMP 4 Commission memo for your review, please review and provide comments at your earliest convenience.

Thank you and Happy New Year to everyone.

David Klinkenberg

Project Manager, Power Delivery EPMO

CELL 509.885.6491

EMAIL dklinkenberg@gcpud.org



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**GMP 4 AMENDMENT
GRANT COUNTY PUBLIC UTILITY DISTRICT
LOAD GROWTH PROJECT**

1. The parties entered into previous GMP Amendments GMP 1 on September 23, 2020, and GMP 2 on June 13, 2022 and GMP 3 on 5/26/2023. Pursuant to Section 6.6.1 of the Agreement, this GMP 4 Amendment incorporates the following terms into the Agreement. To the extent any terms set forth in this GMP 4 Amendment conflict with the Agreement, the Phase 1 Amendment, or GMP 1, GMP 2 and GMP 3 Amendments, the terms in this GMP 4 Amendment shall govern.
2. The Design-Builder has submitted to Owner the GMP 4 Proposal pursuant to Section 6.6.1.5 of the Agreement.
3. The Owner has reviewed the GMP 4 Proposal, the parties have reconciled the Owner's Comments pursuant to Section 6.6.1.6 of the Agreement, and the Owner has accepted the GMP 3 Proposal as reconciled. The conformed, reconciled GMP 4 Proposal contains the following documents and is attached to this GMP 3 Amendment at Exhibit A and is incorporated as if fully set forth herein.
 - a. Proposed GMP 4 pursuant to Section 2.04C of Exhibit C to the Agreement including the following itemized amounts as set forth in the Schedule of Values, Attachment 1 to the GMP 4 Amendment.
 - i. The Design-Builder's Lump Sum Fee pursuant to Section 6.2.3 of the Agreement.
 - ii. If applicable, a list of Allowance Items, Allowance Values, and a statement of their basis pursuant to Section 6.4.1 of the Agreement.
 - iii. If applicable, a list of all Not to Exceed Amounts and the information required pursuant to Section 6.4.2 of the Agreement.
 - iv. If applicable, a list of Lump Sums and the information required pursuant to 6.4.3 of the Agreement.
 - v. The Cost of the Work Contingency pursuant to Section 6.4.4.1.a of the Agreement.
 - vi. The Design-Builder's Contingency pursuant to Section 6.4.4.1.b of the Agreement.
 - vii. The Design-Builder's Lump Sum General Conditions Amount pursuant to Section 6.4.5 of the Agreement.
 - viii. If applicable, a schedule of unit prices.
 - ix. A list of the assumptions and clarifications made by the Design-Builder in preparation of the GMP 3 Proposal, as set forth in the Basis of Design Documents.
 - b. The GMP 4 Basis of Design Documents pursuant to Section 2.03 of Exhibit C to the Agreement. A list of documents that comprise the GMP 4 Basis of Design Documents is set forth in Attachment 2 to this GMP 3 Amendment.
 - c. A current Project Schedule pursuant to Section 2.02.D of Exhibit C to the Agreement is set forth in Attachment 3 to this GMP 4 Amendment.
 - d. The Contract Close-Out Plan pursuant to Section 2.10 of Exhibit C to the Agreement is incorporated into the GMP 4 Basis of Design Documents.
 - e. Differing Site Conditions Report pursuant to Section 2.11 of Exhibit C to the Agreement. The Differing Site Conditions Report is set forth as Attachment 4 to the GMP 4 Amendment.
4. The Owner has decided to exercise its option to enter into Phase 2 of the Agreement for the Work set forth in this GMP 4 Amendment pursuant to Section 6.6.1.6.b of the Agreement.

5. Consistent with the GMP 4 Proposal, the parties hereby establish the following Commercial Terms:

Cost of the Work	\$5,243,171.96
<i>Lump Sum General Conditions Costs</i>	<i>\$2,411,628.48</i>
<i>Cost of Work</i>	<i>\$2,831,543.48</i>
Design-Builder's Lump Sum Fee	\$359,479.38
Design Builder's Contingency	\$103,900.76
Guaranteed Maximum Price Amendment	\$5,706,552.10
Phase 1 Not To Exceed Amount	\$6,231,295.26
GMP 1 Amendment GMP	\$51,930,956.00
GMP 2 Amendment GMP	\$14,003,913.56
CO #06	\$109,092.46
GMP 3 Amendment GMP	\$31,913,638.00
CO #09	\$226,592.22
CO #10	\$173,357.03
CO #12	\$20,984.90
GMP 4 Amendment GMP	\$5,706,552.10
Guaranteed Maximum Price	\$110,316,381.53
<i>* Note: GCPUD approves the rounding error of \$0.30 in Attachment 1 SOV</i>	
Commercial Completion Dates (Milestone Dates)	
Quincy Plains Substation Mechanical Completion	2/12/2021
Burke Substation Mechanical Completion	6/25/2021
Mountain View Mobile Tap Mechanical Completion	4/9/2021
Mountain View Cap Bank Mechanical Completion	3/31/2025
Mountain View Distribution Mechanical Completion	12/19/2025
Baird Springs Substation Mechanical Completion	6/1/2023
Baird Springs 2 nd Line Up Mechanical Completion	10/30/2024
Red Rock Substation Mechanical Completion	3/31/2025
Frenchman Hills Mechanical Completion	11/26/2024
South Ephrata Substation Mechanical Completion	8/29/2025
South Ephrata Ring Bus Mechanical Completion	8/29/2025
Royal City Substation Mechanical Completion	7/22/2022
Red Rock Transmission Line	6/02/2025

6. Pursuant to Section 10.2 of the Agreement, Design-Builder shall provide a Payment and Performance Bond pursuant to RCW Chapter 39.08 equal to one hundred percent (100%) of the amount of the Guaranteed Maximum Price set forth above.

In executing this Amendment, Owner and Design-Builder each individually represents that it has the necessary financial resources to fulfill its obligations under this Amendment, and each has the necessary corporate approvals to execute this Amendment, and perform the services described herein.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed on the date set forth below.

OWNER
Public Utility District No. 2 of Grant County

DESIGN-BUILDER
Quanta Infrastructure Solutions Group, LLC

By _____

By _____

Name

Name

Its _____

Its _____

Date: _____

Date: _____

Attachments

1	GMP 4 Schedule of Values
2	List of GMP 4 Basis of Design Documents
3	Project Schedule
4	Differing Site Conditions Report
5	Scope of Work

ATTACHMENT 1
SCHEDULE OF VALUES GMP 4

The Schedule of Values agreed by the parties and dated December 23, 2024 is incorporated into the GMP 4 Amendment as if fully set forth herein and can be viewed [here](#).

**ATTACHMENT 2
LIST OF GMP 4 BASIS OF DESIGN DOCUMENTS**

The following documents comprise the GMP 4 Basis of Design Documents. These documents are incorporated into this GMP 4 Amendment as if fully set forth herein. The documents set forth in the GMP 1, GMP 2 and GMP 3 Amendment and the list of documents set forth in this GMP 4 Amendment make up the full Basis of Design Documents for this Project.

Name	Date
Baird Springs	
Baird Springs Structural IFC Rev 1B	3/8/2021
Baird Springs IFC Grounding Package	5/17/2021
Baird Springs Civil/Electrical IFC	7/13/2021
Baird Springs 2nd Lineup IFC	12/22/2021
Baird Springs Conduit IFC	3/15/2021
Baird Springs Revised Conduit IFC	4/15/2021
Baird Springs Rev Cable & Conduit/Cable Qty IFC	5/3/2021
Baird Springs Transmission Line IFC	6/25/2021
Burke Substation	
Burke IFC Physical Package	9/11/2020
Burke Revised Physical & Conduit IFC	3/15/2021
Burke Revised Conduit IFC	4/1/2021
Burke Transmission Drawings IFC MOD	9/30/2021
Burke IFC Controls Package	10/2/2020
Burke Rev IFC Communication Drawings	11/30/2020
Burke Revised IFC Electrical Package	3/17/2021
Burke Revised MOD Control Box IFC	4/12/2021
Burke Revised Autosectionalizing Cabinet	4/23/2021
Burke 27DC IFC Revisions	6/11/2021
Burke Revised Grading IFC	10/27/2020
Burke/Royal Mindcore motor operator switches	1/5/2021
Burke Post IFC Distribution Layout	11/17/2020
Burke Retaining Wall	2/18/2021
Burke Main Power Xfmr(s) Vac Fill Test Report(s)	5/5/2021
Burke Metering IFC	8/6/2021
Burke Telecom IFC	8/27/2021
Burke MOD Vendor IFC	12/1/2021
Frenchman Hills Substation	
Frenchman Hills 100% Design Package	4/14/2021
Frenchman Hills SSSP_Rev1	8/4/2021
Frenchman Hills Partial Civil & Electrical IFC	8/4/2021
Mountain View Cap Bank	
Mountain View Cap Bank IFC	7/8/2021
Mountain View Cap Bank Foundation IFC Rev	9/7/2021
Mountain View Cap Bank Structural IFC Amendment 2	10/19/2021

Mountain View Cap Bank Isolation Fnd IFC Adjustment	11/19/2021
Mt View Cap Bank Septic Design	11/4/2021
Mountain View Cap Bank 100% Structural Control House	12/30/2021
Mountain View Cap Bank FINAL Conceptual Package (Electrical)	05/12/2020
Mountain View Mobile Tap	
Mountain View Mobile Tap IFC Design Package	9/18/2020
Mountain View Mobile Tap IFC Revised Foundation	10/16/2020
Quincy Plains Substation	
Quincy Plains IFC Package	7/22/2020
Quincy Plains Redlines	1/4/2022
Royal City Substation	
Burke/Royal Mindcore motor operator switches	1/5/2021
Royal IFC Package	11/19/2020
Royal IFC Ground Grid	11/30/2020
Royal Structural Revised	2/5/2021
Royal IFC Conduit Drawings Revised	4/12/2021
Royal Revised IFC Drawings	4/23/2021
Royal Panel Fabrication Drawing	6/22/2021
Royal IFC Updates	6/29/2021
Royal Revised Circuit Breaker IFC	9/10/2021
Royal Transmission Line IFC	1/18/2021
South Ephrata Substation	
South Ephrata 30% FINAL Conceptual Package	5/5/2020
Hazmat Analysis Memo South Ephrata 2020.05.08	6/2/2020
South Ephrata IFC Structural	07/06/2022
South Ephrata IFC Physical	07/06/2022
South Ephrata IFC Transmission	02/01/2023
Red Rock Substation	
Red Rock Substation 100% Design	1/17/2022
Red Rock Transmission Line	
Red Rock Transmission Line SSSP/EAP Map	8/10/2020
Red Rock Transmission Line – GT Report	9/29/2020
Red Rock T-Line 30% Final Design Package	2/18/2021
Red Rock T-Line 60% Design Package	7/20/2022
Red Rock T-Line 90% Design Package	12/20/2022
GCPUD LGP – SOW GMP 2 Master	12/13/2021
GCPUD LGP - RFI Log	01/17/2022
QEPC LGP GCPUD Design Log	01/17/2022

South Ephrata and Mountain View Cap Bank electrical packages (P&C packages) will change from design criteria and 30% conceptual packages, as detailed within GMP1. Impacts to general conditions, procurement and construction have yet to be determined, as of GMP3, and are NOT included. Impacts to engineering are captured within GMP3, only to extent detailed within supporting documentation*

**ATTACHMENT 3
PROJECT SCHEDULE**

The approved Project Schedule dated December 09, 2024 is set forth herein can be viewed [here](#).

**ATTACHMENT 4
DIFFERING SITE CONDITIONS REPORT**

The Differing Site Conditions Report consists of the following Geotech and hazardous materials reports which are incorporated into this GMP Amendment as if fully set forth herein:

Name	Date
Grant County PUD Transmission Line Geotech Engineering Evaluation for Mountain View 115kv Transmission line Mountain View 230kv Transmission line Wheeler to Warden 115kv Transmission line Rocky Ford to Dover 115kv Transmission line	December 19, 2014
Mountain View Switchyard Geotech Engineering Evaluation	October 22, 2014
Mountain View Soils Resistivity Report	February 4, 2015
Mountain View Step Potential	February 4, 2015
Mountain View Touch Voltages	February 4, 2015
Frenchman Hills Substation Report of Geotechnical Investigation	June 2000
Geotechnical Engineering Evaluation Report Baird Springs Substation	May 4, 2020
Geotechnical Engineering Evaluation Report Burke Substation	April 14, 2020
Geotechnical Engineering Evaluation Report Royal City Substation	April 14, 2020
Geotechnical Engineering Evaluation Report South Ephrata Substation	April 14, 2020
Hazardous Materials Assessment of Properties Burke Substation	April 22, 2020
Hazardous Materials Assessment of Properties Baird Springs Substation	May 5, 2020
Hazardous Materials Assessment of Properties Royal City Substation	April 22, 2020
Hazardous Materials Assessment of Properties South Ephrata Substation	May 1, 2020
Red Rock Transmission Line Report of Geotechnical Investigation	September 28, 2020
Red Rock Substation Additional Survey (Topo)	February 17, 2022

**ATTACHMENT 5
SCOPE OF WORK**

The approved Scope of Work dated January 3, 2025 is set forth herein can be viewed [here](#).



Change Order Table

Contract Title: Grant County Load Growth Project			
Contract No.	130-09724	Award Date:	12/10/2019
Project Manager:	David Klinkenberg	Original Contract Amount:	\$2,028,023.14
District Representative (If Different):		Original Contract completion:	6/30/2022
Contractor:	Quanta Electric Power Construction, LLC.	Total CO Cost Change Amt	\$102,560,821.36

CO#	Change Description	Approved by	Executed Date	Revised Completion Date	Cost Change Amount	Revised Contract Amount	Authority Level Tracking
1	Increase the Contract Price to fund Design Builder procured long lead materials and revises Section 6.2.3, Design-Builder's Fee Percentage and Lump Sum Fee.	Managing Director	07/07/20	N/A	\$265,317.81	\$2,293,340.95	\$265,317.81
2	Increase the Contract Price to fund additional Design Builder procured long lead materials, continued engineering & program management and extend Phase 1 of the project.	Comm	07/31/20	N/A	\$3,442,954.31	\$5,736,295.26	\$3,708,272.12

3	Extend Phase 1 design, issue a limited Notice to Proceed to begin labor, amend the Agreement, the General Conditions, and Exhibits A & K and establish a final project completion date.	Managing Director	09/08/20	04/04/23	\$495,000.00	\$6,231,295.26	\$495,000.00
4	Establishes the Guaranteed Maximum Price (GMP) and incorporates Attachments 1 through 6 to fully establish the GMP Amendment and transition to Phase 2 of the project.	Comm	09/23/20	N/A	\$51,930,956.00	\$58,162,251.26	\$52,425,956.00
5	Increases the GMP and revises Schedule of Values, List of Basis of Design Documents, and the Differing Site Conditions Report from Change Order No. 4. Change Order No. 5 also updates the current Project Schedule.	Comm	06/13/22	06/06/23	\$14,003,913.56	\$72,166,164.82	\$14,003,913.56
6	Increase the Contract Price to add a mobile restroom at the District's Ephrata Substation and to have the Contractor relocate an existing power transformer from the District's Burke Substation to the Soap Lake Substation.	Senior/Plant Mgr	04/18/23	N/A	\$109,092.46	\$72,275,257.28	\$109,092.46
7	Increase the GMP to fund scope changes as well as material and labor costs for the Red Rock transmission construction.	Comm	05/30/23	03/31/25	\$31,913,638.00	\$104,188,895.28	\$32,022,730.46
8	Extention of Completion Date (Rejected by DR)	Senior/Plant Mgr	N/A	N/A	\$0.00	\$104,188,895.28	\$0.00

9	Increase Contract Price	Managing Director	08/11/23	N/A	\$226,592.20	\$104,415,487.48	\$226,592.20
10	Increase Contract Price due to construction delays (CR.39), unplanned excavation (CR.43), and customer request to maintain power as long as possible during planned Mountain View SOW.	Managing Director	10/03/23	N/A	\$173,357.02	\$104,588,844.50	\$399,949.22
11	Increase Contract Price (Rejected by DR)	Comm	N/A	N/A	\$0.00	\$104,588,844.50	\$399,949.22
12	Increase Contract Price	Dept Mgr	11/20/24	N/A	\$20,984.90	\$104,609,829.40	\$420,934.12
13	Increase Contract Price and Extend Contract Completion Date	Comm	TBD	01/31/26	\$5,706,552.10	\$110,316,381.50	\$6,127,486.22
Total Change Order Cost Change Amount					102,560,821.36		

For Commission Review – 02/25/2025

PUBLIC UTILITY DISTRICT NO. 2 OF

GRANT COUNTY, WASHINGTON

RESOLUTION NO. XXXX

A RESOLUTION OF THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON, AMENDING RESOLUTION NO. 9046 OF THE DISTRICT (ESTABLISHING A LETTER OF CREDIT AND LINE OF CREDIT FACILITY AND PROVIDING FOR THE ISSUANCE AND SALE OF THE DISTRICT'S ELECTRIC SYSTEM REVENUE NOTES, SERIES 2024-W (REVOLVING LINE OF CREDIT)); AUTHORIZING A FIRST AMENDMENT TO CREDIT AGREEMENT; AND AUTHORIZING OTHER MATTERS RELATED THERETO.

PASSED March 11, 2025

PREPARED BY:

PACIFICA LAW GROUP LLP
Seattle, Washington

RESOLUTION NO. XXXX

A RESOLUTION OF THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON, AMENDING RESOLUTION NO. 9046 OF THE DISTRICT (ESTABLISHING A LETTER OF CREDIT AND LINE OF CREDIT FACILITY AND PROVIDING FOR THE ISSUANCE AND SALE OF THE DISTRICT'S ELECTRIC SYSTEM REVENUE NOTES, SERIES 2024-W (REVOLVING LINE OF CREDIT)); AUTHORIZING A FIRST AMENDMENT TO CREDIT AGREEMENT; AND AUTHORIZING OTHER MATTERS RELATED THERETO.

WHEREAS, Public Utility District No. 2 of Grant County, Washington (the "District") owns and operates an electric utility system (as further defined herein, the "Electric System") for the transmission and distribution of electric energy; and

WHEREAS, RCW 54.16.070 provides that a public utility district may contract indebtedness or borrow money for any corporate purpose on its credit or on the revenues of its public utilities; and

WHEREAS, pursuant to Resolution No. 9046 adopted by the Commission of the District (the "Commission") on March 12, 2024 (the "Original Resolution"), and a Credit Agreement dated March 27, 2024, between the District and JPMorgan Chase Bank, National Association (the "Bank"), as it may be amended from time to time (the "Original Credit Agreement"), the District established a revolving line of credit for the purposes set forth therein; and

WHEREAS, the District's obligations under the Original Credit Agreement and the associated revolving line of credit are evidenced by the District's Electric System Revenue Notes, Series 2024-W (Revolving Line of Credit) (the "Notes"), issued on March 27, 2024, in the principal amount of not to exceed \$20,000,000 (which may be increased to \$50,000,000 pursuant to the terms of the Original Resolution and the Original Credit Agreement); and

WHEREAS, the Commission has determined that it is in the best interest of the District that it enter into an agreement with Southwest Power Pool, Inc., an Arkansas nonprofit corporation ("SPP"), and other participating entities, in order to develop and implement Phase 2 of Markets+, a centralized day-ahead and real-time marketplace; and

WHEREAS, once established, Markets+ is expected to enhance reliability, increase value, allow for more efficient use of the existing grid (transmission) resulting in lower overall prices for participants, and provide a lower cost, liquid, and transparent market for energy, capacity and ancillary activities, among other benefits to the District; and

WHEREAS, in order to participate in Phase II of the development and implementation of Markets+, the District and other participants are required to provide collateral in the form of a letter of credit or available funds; and

WHEREAS, the District now desires to amend the Original Resolution and the Original Credit Agreement to allow letters of credit for the purpose of satisfying its obligations under the agreement with SPP, among other purposes, as provided herein;

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington, as follows:

Section 1. Definitions. Unless otherwise defined in the recitals and elsewhere in this resolution, capitalized terms used herein shall have the meanings set forth in the Original Resolution.

Section 2. Amendments to Original Resolution. The following sections of the Original Resolution are hereby amended as follows (deletions are ~~stricken~~ and additions are double underlined):

Section 2. Findings

(a) *Gross Revenue Sufficient.* The Commission hereby finds that the Gross Revenue to be derived by the District from the operation of the Electric System at the rates to be charged for the electricity furnished thereby will be sufficient in the judgment of the Commission to meet all expenses of operation and maintenance, and to make all necessary repairs, replacements and renewals thereof, and to permit the setting aside out of such Gross Revenue and money in the Revenue Fund into the bond funds for the Subordinate Lien Bonds and Parity Bonds of such amounts as may be required to pay the principal of and interest on the Subordinate Lien Bonds and Parity Bonds as the same become due and payable.

(b) *Due Regard.* The Commission hereby finds that due regard has been given to the cost of the operation and maintenance of the Electric System and that it has not obligated the District to set aside into the bond funds for the account of the Parity Bonds and the Subordinate Lien Bonds a greater amount of the revenues and proceeds of the Electric System than in its judgment will be available over and above such cost of operation and maintenance.

(c) *Best Interests of the District.* The Commission hereby finds and determines that it is in the best interests of the District that the District issue the Notes authorized herein for the purpose of establishing a line of credit to (1) obtain the delivery of letters of credit to satisfy the District's collateral obligations under power purchase contracts, energy hedge agreements and other contracts

of the District in connection with its operations, including but not limited to, the purchase and sale of electric energy, and the development, implementation, and participation in the market design, distribution, and transmission of electric energy, and (2) to be available to provide loans to the District.

Section 3. Authorization of Notes; Request for Draw or Request for Letter of Credit; Payment, Registration and Transfer.

(a) *Issuance of Notes.* For the purpose of (1) providing liquidity for District purposes, and (2) providing support for Letters of Credit to be issued by the Bank in support of power purchase contracts, energy hedge agreements and other contracts of the District ~~within the District's primary business of~~ in connection with its operations, including but not limited to the purchase, generation, transmission, distribution and sale of electric energy, the District hereby establishes a revolving credit facility. To evidence such revolving credit facility, the District authorizes the issuance of one or more series of its subordinate lien electric system revenue notes as described herein (the "Notes").

The Notes shall be issued in one or more series in the aggregate principal amount of not to exceed \$20,000,000 outstanding at any time to evidence the District's obligations under this resolution and the Credit Agreement; provided, however, the aggregate principal amount of the Notes may be increased to an amount not to exceed \$50,000,000 outstanding at any time upon agreement by the District and the Bank, and upon satisfaction of the terms and conditions set forth in the Credit Agreement. The Commission authorizes each Designated Representative to increase the available aggregate principal amount of the Notes to an amount not to exceed \$50,000,000. Such increase shall not require additional Commission approval so long as it is consistent with the terms of this resolution and the Credit Agreement.

Except as otherwise provided herein and in the Credit Agreement, the amount available for loans outstanding at any time under the Line of Credit and the Letter of Credit Amounts is \$20,000,000. Interest on a particular principal amount so advanced shall be determined from the date of the advance of Note proceeds pursuant to a Request for Draw by the District, or from the date of any advance on a Letter of Credit.

The Notes shall be designated as "Public Utility District No. 2 of Grant County, Washington, Electric System Revenue Notes, Series 2024-W (Revolving Line of Credit)," with additional series or other description as determined by a Designated

Representative, shall be dated as of the date of delivery thereof to the Bank, and shall mature on the Maturity Date (as defined in the Credit Agreement), subject to the terms and conditions of the Credit Agreement. The maturity date of the Notes may be extended upon agreement by the District and the Bank, and upon satisfaction of the terms and conditions set forth in the Credit Agreement. The Commission authorizes each Designated Representative to extend the maturity date for the Notes as provided in the Credit Agreement. Such extension shall not require additional Commission approval so long as it is consistent with the terms of this resolution and the Credit Agreement.

A Note of a series or a draw on a Note may be issued as a Taxable Note if determined to be issued or drawn, as applicable, on a taxable basis. A Note of a series or a draw on a Note may be issued as a Tax-Exempt Note if determined to be issued or drawn, as applicable, on a tax-exempt basis under the Code. Any such determination shall be set forth in the Note certificate or in the Request for Draw, as applicable.

Each draw pursuant to a Request for Draw shall bear interest at the applicable rates set forth in the Credit Agreement, subject to the Default Rate upon the occurrence and during the continuation of an Event of Default until the date on which such Event of Default is cured or otherwise waived by the Registered Owner. Interest on the Notes shall accrue from the date money is drawn, pursuant to the applicable Request for Draw, until paid and shall be computed on the principal amount outstanding on the basis of a 360-day year and the actual days elapsed (or such other basis as set forth in the Credit Agreement). The principal amount of each loan pursuant to a Request for Draw, and interest thereon, shall be paid as provided in the Credit Agreement.

(b) *Procedures for Request for Draw or Request for Letter of Credit.* A Request for Draw or a Request for Letter of Credit may be made by a Designated Representative in writing as provided in the Credit Agreement. The District hereby delegates to each Designated Representative the authority to make a written Request for Draw or Request for Letter of Credit in accordance with the terms and provisions of this resolution and the Credit Agreement in the amounts, in the interest rate modes, and at the times as such Designated Representative may determine. Proceeds of draws on the Notes shall be deposited into the appropriate District account determined by a Designated Representative and used for lawful District purposes.

(d) *Registration.* The Notes shall be issued in fully registered form. Both the principal of and interest on the Notes shall be payable in immediately available lawful money of the United States of America by wire transfer or automatic clearinghouse funds or such other manner, in each case, as set forth in the Credit Agreement. The Treasurer or the fiscal agent for the State of Washington, as determined by the District, shall act as Registrar.

(e) *Assignment.* The Notes may only be assigned or transferred by the Bank as provided in the Credit Agreement.

Section 3. **Execution of Amendment to Original Credit Agreement.** Each Designated Representative is hereby authorized to approve the terms of an amendment to the Original Credit Agreement (an “Amendment to Credit Agreement”) in order to incorporate therein the terms of this resolution, and to execute and implement the Amendment to Credit Agreement (including the payment of any financing costs associated with the delivery of the Amendment to Credit Agreement) and any other certificates or other documents in connection therewith.

Section 4. **Amendment to Notes.** The amendments contained in Section 2 of this resolution to the allowable purpose of the Notes are hereby incorporated into the Notes as if fully set forth therein.

Section 5. **Ratification of Prior Acts.** Any action taken consistent with the authority and prior to the effective date of this resolution is ratified, approved, and confirmed.

Section 6 **Effective Date of Resolution.** This resolution shall be in effect from and after its adoption in accordance with law.

ADOPTED by the Commission of Public Utility District No. 2 of Grant County, Washington, at a regular meeting thereof this 11th day of March, 2025.

PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON

By: _____
President and Commissioner

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

Title: _____

CERTIFICATION

I, the undersigned, Secretary of the Commission of Public Utility District No. 2 of Grant County, Washington (the "District"), and keeper of the records of the Commission (the "Commission") DO HEREBY CERTIFY:

1. That the attached is a true and correct copy of Resolution No. XXXX (the "Resolution") of the Commission, duly adopted at a regular meeting thereof held on the 11th day of March, 2025.

2. That said meeting was duly convened and held in all respects in accordance with law, and due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Commission voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

Dated this 11th day of March, 2025.

Secretary of the Commission of
Public Utility District No. 2 of
Grant County, Washington

MEMORANDUM

January 30, 2025

TO: Richard Wallen, General Manager/Chief Executive Officer

VIA: Bonnie Overfield, Chief Financial Officer *Bonnie Overfield*
John Mertlich, Chief Commercial Officer *John Mertlich*
Angelina Johnson, Senior Manager of Treasury/Financial Planning *Angelina Johnson*

1/30/25

01/30/25

FROM: Amy Thompson, Senior Financial Analyst
Cesar Castro Leon, Financial Analyst

SUBJECT: Amend Resolution 9046 Hybrid Credit Facility (Letters of Credit and Optional Line of Credit)

Purpose: To request Commission approval to amend Resolution 9046 establishing the Electric System Revenue Notes, Series 2024-W (revolving credit facility). Commission approval is required to enter into any debt-related agreements.

Discussion: In support of the Energy Supply Management's (ESM) pursuit of contracting with Southwest Power Pool's (SPP) Markets+ implementation (and possible other market ventures), the District would be required to post collateral either in the form of cash or a Letter of Credit. Due to Washington State's constitution, Washington State Public Utility Districts cannot post cash collateral.

- A Letter of Credit may be used to cover the collateral required for the terms of the SPP contract.
- The District is unable to collateralize exposure with cash due to bond covenants.

Justification:

The current LOC is available to collateralize power purchase contracts, energy hedge agreements, and other contracts of the District in connection with the purchase and sale of electric energy.

A portion of the current wording (additions are underlined) of Resolution 9046: (c) *Best Interests of the District*. The Commission hereby finds and determines that it is in the best interests of the District that the District issues the Notes authorized herein for the purpose of establishing a line of credit to (1) obtain the delivery of letters of credit to satisfy the District's collateral obligations under power purchase contracts, energy hedge agreements and other contracts of the District in connection with its operations, including but not limited to, the purchase and sale of electric energy, and the development, implementation, and participation in the market design, distribution, and transmission of electric energy, and (2) to be available to provide loans to the District.

Recommendation: Commission approval to amend Resolution 9046 (new Resolution number) to add verbiage to providing support for Letters of Credit to be issued by the Bank in support of power purchase contracts, energy hedge agreements and other contracts of the District in connection with its operations, including but not limited to the purchase, generation, transmission, distribution and sale of electric energy.

Legal Review: See attached e-mail(s).

For Commission Review – 02/25/2025

Motion authorizing the General Manager/CEO to execute Change Order No. 6 to Contract 430-09222 with UKG Inc., increasing the not-to-exceed contract amount by \$150,826.56 through November 20, 2026 and resetting the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for charges incurred as a result of Change Order No. 6.

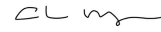
xxxx

MEMORANDUM

Date: February 7, 2025

TO: Rich Wallen, General Manager/Chief Executive Officer

FROM: Charles Meyer, Chief Technology Officer



SUBJECT: Contract 430-09222, Change Order No. 6

02/11/25

Purpose: To request Commission approval of Change Order No. 6 to Contract 430-09222 to add \$150,826.56 to the contract for estimated incremental fees through November 30, 2026.

Discussion:

The original contract with UKG was awarded on June 25, 2019. The purpose of the contract is to provide a Human Resource Information System (HRIS) for the District. This Change Order is required to add additional funds to cover estimated incremental fees through the end of the current contract term of November 30, 2026. There are no known legal risks to approving the Change Order.

Justification:

The District utilizes the UKG Human Resource Information System for time keeping, payroll, and other HR services. Without this software we would not be able to process payroll or track time and costs for our employees. Because of our headcount growth, we have outgrown our existing licensing structure. If this Change Order is not approved, there will be insufficient funds to cover the monthly incremental costs incurred by the District for payroll costs associated with the number of employees over 650, which is the minimum subscription amount paid by the District on a quarterly basis. The District will begin receiving invoices for January 2025 incremental charges around the end of February. Payment terms under the contract are Net 30. This request is considered high urgency.

Financial Considerations:

The costs for this Change Order are budgeted for the years 2025 and 2026 as an O&M expense and are budgeted in cost center FE8000. The change order is based on an estimate, calculated by multiplying the quoted unit price by an estimated # of employees, in excess of 650, for each year (See table below). The employee estimate is based on the average # of employees billed in the prior 12 months, increased to accommodate a slight uptick in headcount for each year. This charge is variable and will flex monthly based on the monthly employee count identified by UKG.

Year 1 Employee Estimate	SBITA			O&M Expense		
	Year 1	Minimum Subscription Fee		Year 1	Incremental Estimate	
850	Qty	\$/unit	\$/mth	Qty	\$/unit	\$/mth
UKG PRO Global Employees (UltiPro Learning)	650	4.24	2,756.00	200	4.24	848.00
UKG PRO TALENT - COMPENSATED EMPLOYEES (Talent Management)	650	3.18	2,067.00	200	3.18	636.00
UKG PRO HCM NPRD-COMPENSATED EMPLOYEES (Testing Services)	650	1.40	910.00	200	1.40	280.00
UKG PRO COMPENSATION - COMPENSATED EMPLOYEES (Compensation Mgmt)	650	2.12	1,378.00	200	2.12	424.00
UKG PRO BENEFITS (UltiPro Core HR/PR)	650	18.55	12,057.50	200	18.55	3,710.00
UKG PRO HCM NPRD (Testing Svc - HR Only)	0	-	-	20	0.21	4.20
UKG PRO GLOBAL EMPLOYEES / HR ONLY (HR Only Emp)	0	-	-	20	4.24	84.80
UKG PRO LIMITED ACCESS (Term Web Emp)	0	-	-	138	1.06	146.28
		Mthly Ttl	19,168.50		Mthly Ttl	6,133.28
	Term Ttl	12	230,022.00	24 Inc. Tt	12	73,599.36
Year 2 Employee Estimate	Year 2 Minimum Subscription Fee			Year 2 Incremental Estimate		
860	Qty	\$/unit	\$/mth	Qty	\$/unit	\$/mth
UKG PRO Global Employees (UltiPro Learning)	650	4.24	2,756.00	210	4.24	890.40
UKG PRO TALENT - COMPENSATED EMPLOYEES (Talent Management)	650	3.18	2,067.00	210	3.18	667.80
UKG PRO HCM NPRD-COMPENSATED EMPLOYEES (Testing Services)	650	1.40	910.00	210	1.40	294.00
UKG PRO COMPENSATION - COMPENSATED EMPLOYEES (Compensation Mgmt)	650	2.12	1,378.00	210	2.12	445.20
UKG PRO BENEFITS (UltiPro Core HR/PR)	650	18.55	12,057.50	210	18.55	3,895.50
UKG PRO HCM NPRD (Testing Svc - HR Only)	0	-	-	20	0.21	4.20
UKG PRO GLOBAL EMPLOYEES / HR ONLY (HR Only Emp)	0	-	-	20	4.24	84.80
UKG PRO LIMITED ACCESS (Term Web Emp)	0	-	-	145	1.06	153.70
		Mthly Ttl	19,168.50		Mthly Ttl	6,435.60
	Term Ttl	12	230,022.00	25 Inc. Tt	12	77,227.20

Change Order History: See attached change order table.

Legal Review: Legal review e-mail from attorney included as well as finalized Memo to the General Manager signed/initialed by responsible Senior Manager or above.

Recommendation: Commission approval of Change Order No. 6 to Contract 430-09222 to add \$150,826.56 to the contract for estimated incremental fees through November 30, 2026.






MEMORANDUM

Final Audit Report

2025-02-11

Created:	2025-02-11
By:	Michele Mesaros (mmesaros@gcpud.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAA3WNwObCihHjFsz_SVYN_ixo56ncp8_Ly

"MEMORANDUM" History

-  Document created by Michele Mesaros (mmesaros@gcpud.org)
2025-02-11 - 6:37:06 PM GMT
-  Document emailed to Charles Meyer (cmeyer@gcpud.org) for signature
2025-02-11 - 6:37:10 PM GMT
-  Email viewed by Charles Meyer (cmeyer@gcpud.org)
2025-02-11 - 6:38:47 PM GMT
-  Document e-signed by Charles Meyer (cmeyer@gcpud.org)
Signature Date: 2025-02-11 - 6:39:04 PM GMT - Time Source: server
-  Agreement completed.
2025-02-11 - 6:39:04 PM GMT

CHANGE ORDER
NO. 6

To the Ultimate Software Group, Inc. SaaS Agreement between the Public Utility District No. 2 of Grant County, Washington and the Ultimate Software Group, Inc.

Pursuant to Section 18 of Exhibit C, the following changes are hereby incorporated into this Contract:

- A. Description of Change: Increase the Contract Price.
- B. Time of Completion: The completion date shall remain November 30, 2026.
- C. Contract Price Adjustment: As a result of this Change Order, the not to exceed Contract Price shall be increased by the sum of \$150,826.56 plus applicable sales tax. This Change Order shall not provide any basis for any other payments to or claims by the Contractor as a result of or arising out of the performance of the work described herein. The new total revised maximum Contract Price is \$2,023,898.36, including changes incorporated by this Change Order.
- D. Except as specifically provided herein, all other Contract terms and conditions shall remain unchanged.

Public Utility District No. 2
of Grant County, Washington

UKG Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____



PUD No. 2 of Grant County, WA
PO Box 878
30 C ST SW
Ephrata WA 98823

Vendor: ULSG00

UKG INC
 PO BOX 930953
 ATLANTA GA 31193-0953

Tax Reg. Number

Contract / Quote No. Q-284524 *Change Order 6

^ Changed Since the Previous Revision

Purchase Order	**CHANGE ORDER**
Purchase Order No.	PO430-09222
Date	12/24/2024
Revision Number	1

Ship To:

154 A ST SE, Bldg. E
 EPHRATA WA 98823

Please submit Invoices to AccountsPayable@gcpud.org and reference the Purchase Order number.

		Payment Terms	Confirm With				Page
		NET30					1
L/N	Item Number	Bin	Req. Date	U/M	Ordered	Unit Price	Ext. Price
Item Description							Requested by
Shipping Method		Reference Number					
1	MINIMUM SUBSCRIPTION FEE Year 1 - Term 12/1/24 - 11/30/25 NO FREIGHT		11/30/2026	Each	230,081.90	\$1.00	\$230,081.90 Charles Meyer
2	MINIMUM SUBSCRIPTION FEE Year 2 - Term 12/1/25 - 11/30/26 NO FREIGHT		11/30/2026	Each	230,081.90	\$1.00	\$230,081.90 Charles Meyer
^3	INCREMENTAL CHARGES Year 1 - Term 12/1/24 - 11/30/25 NO FREIGHT		11/30/2025	Each	73,599.36	\$1.00	\$73,599.36 Charles Meyer
^4	INCREMENTAL CHARGES Year 2 - Term 12/1/25 - 11/30/26 NO FREIGHT		11/30/2026	Each	77,227.20	\$1.00	\$77,227.20 Charles Meyer

All applicable taxes to be applied.

Subtotal	\$610,990.36
^Tax	\$51,323.19
Order Total	\$662,313.55

Zachery Cooper 509-760-7617

Authorized

All shipments, shipping papers, invoices and correspondence must be identified with our Purchase Order Number. Overshipments will not be accepted unless authorized by Buyer prior to shipment. This Purchase Order is subject to Grant PUD's Terms and Conditions.

By fulfilling this order, Seller is agreeing to Grant PUD's Terms and Conditions.

Warehouse Receiving Hours: Monday - Thursday, 6:30 AM - 12:00 PM & 12:30 PM - 3:30 PM.



Change Order Table

Contract Title: Human Capital Management System

Contract No.	430-09222	Award Date:	6/25/2019
Project Manager:	Darla Stevens	Original Contract Amount:	\$1,394,908.00
District Representative (If Different):	Derin Bluhm	Original Contract completion:	6/30/2024
Contractor:	UKG, Inc.	Total CO Cost Change Amt	\$628,990.36

CO#	Change Description	Approved by	Executed Date	Revised Completion Date	Cost Change Amount	Revised Contract Amount	Authority Level Tracking
1	Increase the Contract Price	Senior/Plant Mgr	12/25/19	N/A	\$18,000.00	\$1,412,908.00	\$18,000.00
2	Replace Section 1 of Exhibit B, Pricing and Payment Terms	Senior/Plant Mgr	04/03/20	N/A	\$0.00	\$1,412,908.00	\$18,000.00
3	Revise the Commencement Dates as set forth in Section 1, Definitions, of Exhibit C, Terms & Conditions	Senior/Plant Mgr	02/23/21	N/A	\$0.00	\$1,412,908.00	\$18,000.00
4	Replace Section 3, Cash Management, Funds Collection and Section 7.A, Services, General, of Exhibit D, U.S. Payment Services	Senior/Plant Mgr	10/29/21	N/A	\$0.00	\$1,412,908.00	\$18,000.00
5	Increase the contract price and extend contract completion date.	AuthDR	12/04/24	11/30/26	\$460,163.80	\$1,873,071.80	\$478,163.80
6	Increase the contract price	Comm		N/A	\$150,826.56	\$2,023,898.36	\$628,990.36
Total Change Order Cost Change Amount					628,990.36		

For Commission Review – 02/25/2025

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute new Contract Agreement 430-HFA 602-83H with Methow Salmon Recovery Foundation in the amount not to exceed \$1,250,200.00 for purchase of 7.86 acres of land adjacent to the Twisp River for habitat conservation purposes.

xxxx

MEMORANDUM

TO: Rich Wallen, General Manager/Chief Executive Officer

VIA: Jeff Grizzel, Chief Operating Officer JG
Ross Hendrick, Senior Manager of Environmental Affairs RH

FROM: Tom Dresser, Fish, Wildlife, and Water Quality Manager TD
Deanne Pavlik-Kunkel, Fish and Wildlife Program Supervisor DP

DATE: February 11, 2025

SUBJECT: New Contract – Bartsch Land Acquisition-Lower Twisp River

Purpose: To request Commission approval of a new habitat project in the amount of \$1,250,200.00 to procure services from the Methow Salmon Recovery Foundation (MSRF) to purchase a 7.86 acre parcel adjacent to the Twisp River, tributary to the Methow River in Okanogan County, for the purpose of habitat restoration benefiting salmon and steelhead, by way of floodplain connectivity, channel migration, and improved land management.

Background: The Public Utility District No. 2 of Grant County, Washington (District) has been working on meeting mitigation requirements as contained in the Priest Rapids Salmon and Settlement Agreement (SSSA) and includes specific measures to protect, mitigate, and enhance populations of non-ESA listed salmon species that migrate through the Priest Rapids Project (coho, sockeye, fall and summer Chinook). The SSSA was adopted into the District's Federal Energy Regulatory Commission (FERC) License Order in April 2008.

To meet these requirements, District staff have worked with MSRF for two decades on habitat restoration in the Methow watershed to improve habitat conditions for anadromous fish that migrate through the Priest Rapids Project twice, once as juveniles on their way to the ocean and returning as adults, making their way to the spawning grounds. This property is especially important because of access to side channel habitat within Reach 2, designated as "high priority" by the Yakama Nation, and includes rearing ponds for juvenile fish. This project is also linked to other nearby habitat restoration projects funded by Bonneville Power Administration (BPA) and the Recreation and Conservation Office of Washington State.

Several other habitat projects have been completed under the Habitat Program (Section 14.4 Habitat Plan) in the Twisp/Methow River area (430-HFA 602-64H, 430-HFA 602-69H, 430-HFA 602-79H). Restoration projects previously funded through the District's Habitat Program and numerous other funding sources (e.g., BPA) have helped achieve a holistic approach to habitat restoration in the Methow basin, improving rearing and spawning conditions for fish.

Justification: This contract would help meet the District's requirement of adhering to Part XIV Habitat Program, as contained in the SSSA, Section 14.4 "Habitat Plan" by constructing a habitat project approved by the Priest Rapids Coordinating Committee Habitat Subcommittee (PRCC HSC) utilizing "a process by which habitat projects may be identified and implemented". The consequence of not implementing this Contract would be going against a decision by the PRCC HSC and potentially being non-compliant with obligations under the SSSA and FERC License order for the Priest Rapids Project.

Financial Considerations: On September 30th, 2024, the Habitat Supplemental Fund 602 held \$10,122,341.00 of unencumbered funds (per the 2024 Q3 Habitat Fund 602 financial report), which are held in trust by the District for committee-approved habitat projects. More than sufficient funding is

available, and a project of this type is an excellent example of what the Habitat Program was originally designed to accomplish.

If approved by the Commission, the new contract would have a NTE amount of \$1,250,200.00. This item has available funding under Habitat Supplemental Fund 602, under Cost Center EB4220, and Initiative 602-83 Bartsch Acquisition. David Duvall is the District Representative.

Change Order History: Not Applicable.

Legal Review: See attached email.

Recommendation: Commission approval of a new \$1,250,200.00 Contract to procure services from the Methow Salmon Recovery Foundation to purchase 7.86 acres of land adjacent to the Twisp River for habitat conservation purposes.

Signature: *Tom Dresser*

Email: tdresse@gcpud.org

Signature: *Ross Hendrick*

Email: rhendr1@gcpud.org

Signature: *Jeff Grizzel*
Jeff Grizzel - Email: 2025-05-29 PST

Email: jgrizzel@gcpud.org

Priest Rapids Habitat Conservation Supplemental Funding Agreement No. 430-HFA 602-83H

This Agreement upon full execution is by and between Public Utility District No. 2 of Grant County, Washington (“Grant”) for and on behalf of the Priest Rapids Coordinating Committee Habitat Subcommittee (“PRCCHSC”) and Methow Salmon Recovery Foundation, (“Contractor” or “MSRF”), a non-profit corporation organized and existing under the laws of the State of Washington referred to as “Party” or collectively the “Parties”.

WHEREAS, Grant as part of its Priest Rapids Project Salmon and Steelhead Settlement Agreement has established the Priest Rapids Habitat Conservation Fund (“Habitat Supplemental Fund 602”) to mitigate for Priest Rapids Project effects on anadromous salmonid populations;

WHEREAS, The PRCCHSC has determined that an expenditure should be made from the Habitat Supplemental Fund 602 for the project which is more fully described in Exhibit “A” attached hereto, hereinafter referred to as the (“Project”); and

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. Completion of Project. Contractor shall undertake and complete the Project as described in Exhibit “A”. Contractor warrants and represents that all work will be performed in accordance with all applicable federal, state and local laws and regulations.

2. Term Schedule. This Agreement shall be effective upon full execution and shall remain in full force and effect until **June 30, 2026** or until terminated pursuant to Section 7.

3. Payment by Grant. Compensation for services rendered shall be based on the actual costs incurred by the Contractor on this project. Grant shall pay the Contractor or at Grant’s option, the escrow company, after receipt of an invoice and/or an escrow agreement for the land purchase in a form acceptable to Grant and approval of that documentation by the PRCCHSC. Grant will pay on the Contractor’s behalf or reimburse the Contractor, from the Habitat Fund, the sum of up to **\$1,250,200.00** for the land purchase and services related to land procurement detailed in Exhibit “A”. In no event however, shall the total amount paid to the Contractor for services and all reimbursable costs exceed the sum of **\$1,250,200.00** (including all applicable taxes) unless an Amendment authorizing the same is issued in accordance with Section 13 below.

All invoices shall be sent to the attention of:

Public Utility District No. 2 of Grant County, WA

Attn: Accounts Payable

PO Box 878

Ephrata, WA 98823

OR

Email: Accountspayable@gcpud.org

Accounts Payable: (509)-793-1450

4. Administrator. **Dave Duvall** shall be the Administrator of this Agreement for Grant and the PRCCHSC and **Chris Johnson** shall be the Administrator of this Agreement for the Contractor.

5. Uncontrollable Forces. Neither Party shall be considered to be in default with any respect to any obligation hereunder, if prevented from fulfilling such obligation by reason of uncontrollable

forces. The term "uncontrollable forces", for the purpose of this Agreement, shall mean any cause beyond the reasonable control of the Party affected, including, but not limited to, destruction, failure or impairment of facilities resulting from accident, flood, earthquake, storm, lightening, fire, epidemic, war, riot, civil disturbance, strike, labor disturbance, sabotage, restraint by court or public authority, or act or failure to act by court or public authority, which by exercise of due diligence and foresight the Party could not reasonably have been expected to avoid.

6. Relationship of Parties. Nothing in this Agreement shall be construed to create an association, joint venture, trust, or partnership or impose a trust or partnership covenant, obligation, or liability on or with regard to any one or more of the Parties. Each Party shall be individually responsible for its own covenants, obligations, and liabilities under this Agreement. No Party shall have a right or power to bind the other Party without its express written consent.

7. Termination. Each Party retains the right to terminate this Agreement upon 30 days notice. No termination of this Agreement shall release the Parties from any liability or obligation with respect to any matter occurring prior to such termination.

8. Records. The Parties hereto shall each maintain books, records, documents and other evidence which sufficiently and properly reflect all direct and indirect costs expended by either party in the performance of the terms described herein. Said records shall be subject to inspection, review or audit by personnel of both Parties, other personnel duly authorized by either party, the Office of the State Auditor, and federal officials so authorized by law. All books, records, documents and other material relevant to this Agreement shall be retained for six years after expiration and the Office of the State Auditor, federal auditors, and any persons duly authorized by the Parties shall have full access and the right to examine any of these materials during this period.

9. Notice. Any notice or other communication under this Agreement given by either party shall be sent via email to the email address listed below, or mailed, properly addressed and stamped with the required postage, to the intended recipient at the address and to the attention of the person specified below and shall be deemed served when received and not mailed. Either party may from time to time change such address by giving the other party notice of such change.

Public Utility District No. 2 of Grant County, Washington
Attention: David Duvall
PO Box 878
Ephrata, WA 98823
(509) 754-5088, ext. 2669
Email: Dduvall@gcpud.org

Methow Salmon Recovery Foundation
Attention: Chris Johnson, Board President
PO Box 755
Twisp, WA 98856
(509) 429-1232
Email: Chrisj@methowsalmon.org

10. Jurisdiction. Any legal dispute between the parties to this Agreement shall be governed by the laws of the State of Washington with venue in the Grant County Washington Superior Court.

11. Limitation on Liability and Payments; Hold Harmless. Grant's liability for any breach under this Agreement is expressly limited to funds in the Habitat Supplemental Fund 602.

Each Party assumes all liability for injury or damage to persons or property arising from the act or negligence of its own employees, agents, members of governing bodies, or contractors. To the extent permitted by law, each Party shall indemnify and hold all other Parties harmless from any liability (whether known or unknown, whether asserted or unasserted, whether absolute or contingent whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due) including any liability for taxes, incidental and consequential damages and lost profits arising from such act or negligence to the extent caused by the indemnifying Party's act or negligence, hereinafter collectively referred to as ("Liability"). Any Party seeking indemnification (the "Indemnified Party") under this provision shall give reasonable notice to the Party from whom it seeks indemnification (the "Indemnifying Party") in writing of any such Liability, permit the Indemnifying Party to assume the defense and settlement of any such claim or threatened claim, and reasonably assist the Indemnifying Party, at the Indemnifying Party's cost and expense, in investigating and defending against the Liability. In the event of any claim against any Party by any employee of another Party, the indemnification and hold harmless obligation herein shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the Party employing the claimant under workers compensation acts, disability benefit acts, or other employee benefit acts; and the Party employing the claimant hereby specifically and expressly waives the immunity of the Party employing the claimant under such acts, and agrees that the foregoing waiver was mutually negotiated by the Parties; provided, however, that this waiver of immunity by the provisions of this section extends only to claims against a Party by or on behalf of the employee of another Party under or pursuant to this Agreement, and does not include, or extend to, any claims by the employees of any Party directly against that Party. In the case of joint or concurrent Liability, each Party shall be responsible for its share of the Liability.

12. Insurance

- A. Prior to the commencement of any work under this Agreement, and at all times during the term of this Agreement, Contractor shall obtain and maintain continuously, at its own expense, a policy or policies of insurance with insurance companies rated A- VII or better by A. M. Best or A by S&P, as enumerated below. Any deductible, self-insured retention or coverage via captive \$25K or above must be disclosed and is subject to approval by the District's Risk Manager. The cost of any claim payments falling within the deductible or self-insured retention shall be the responsibility of the Contractor and not recoverable under any part of this Contract.

Contractor Required Insurance

1. **General Liability Insurance:** Commercial general liability insurance, covering all operations by or on behalf of Contractor against claims for bodily injury (including death) and property damage (including loss of use). Such insurance shall provide coverage for:
 - a. Premises and Operations;
 - b. Products and Completed Operations;
 - c. Contractual Liability;
 - d. Personal Injury Liability (with deletion of the exclusion for liability assumed under Contract);with the following **minimum limits:**
 - e. \$1,000,000 Each Occurrence
 - f. \$1,000,000 Personal Injury Liability
 - g. \$2,000,000 General Aggregate (per project)
 - h. \$2,000,000 Products and Completed Operations Aggregate

Commercial general liability insurance will include the District as additional insured on a primary and non-contributory basis. A waiver of subrogation will apply in favor of the District.

2. **Workers' Compensation and Stop Gap Employers Liability:** When applicable, Workers' Compensation Insurance as required by law for all employees. Employer's Liability Insurance, including Occupational Disease coverage, in the amount of **\$1,000,000 for Each Accident, Each Employee, and Policy Limit.** Employer's Liability may be procured as an endorsement to the commercial general liability via the Stop Gap Coverage endorsement. The Contractor expressly agrees to comply with all provisions of the Workers' Compensation Laws of the states or countries where the work is being performed, including the provisions of Title 51 of the Revised Code of Washington for all work occurring in the State of Washington.

If there is an exposure of injury or illness under the U.S. Longshore and Harbor Workers (USL&H) Act, Jones Act, or under U.S. laws, regulations or statutes applicable to maritime employees, coverage shall be included for such injuries or claims. Such coverage shall include USL&H and/or Maritime Employer's Liability (MEL).

3. **Automobile Liability Insurance:** Automobile Liability insurance against claims of bodily injury (including death) and property damage (including loss of use) covering all owned, (if any), rented, leased, non-owned, and hired vehicles used in the performance of the work, with a **minimum limit of \$1,000,000 per accident** for bodily injury, property damage, or death combined and containing appropriate uninsured motorist and No-Fault insurance provision, where applicable.

Automobile liability insurance will include the District as additional insured on a primary and non-contributory basis. A waiver of subrogation will apply in favor of the District.

- B. Evidence of Insurance - Prior to performing any services, and within 10 days after receipt of the Contract award, then annually thereafter, the Contractor shall file with the District a Certificate of Insurance showing the Insuring Companies, policy numbers, effective dates, limits of liability and deductibles with copies of the endorsement or policy documents where policy terms required under Section A are met.

Failure of the District to demand such certificate or other evidence of compliance with these insurance requirements or failure of the District to identify a deficiency from the provided evidence shall not be construed as a waiver of the Contractor's obligation to maintain such insurance. Acceptance by the District of any certificate or other evidence of compliance does not constitute approval or agreement by the District that the insurance requirements have been met or that the policies shown in the certificates or other evidence are in compliance with the requirements.

The District shall have the right but not the obligation of prohibiting the Contractor or subcontractor from entering the project site until such certificates or other evidence of insurance has been provided in full compliance with these requirements. If the Contractor fails to maintain insurance as set forth above, the District may purchase such insurance at the Contractor's expense. The Contractor's failure to maintain the required insurance may result in termination of this Contract at the District's option.

- C. Subcontractors - Contractor shall ensure that each subcontractor meets the applicable insurance requirements and specifications of this Agreement. All coverage for subcontractors shall be subject to all the requirements stated herein and applicable to their profession. Contractor shall furnish the District with copies of certificates of insurance evidencing coverage for each subcontractor upon request.
- D. Cancellation of Insurance - The Contractor shall not cause any insurance policy to be canceled or permit any policy to lapse. Insurance companies, to the extent commercially available, or Contractor shall provide 30 days advance written notice to the District for cancellation or any material change in coverage or condition, except 10 days advance written notice for cancellation due to non-payment of premium. Should the Contractor receive any notice of cancellation or notice of nonrenewal from its insurer(s), Contractor shall provide immediate notice to the District no later than two days following receipt of such notice from the insurer. Notice to the District shall be delivered by facsimile or email .

13. Agreement Alterations and Amendments. This Agreement may be amended by mutual agreement of all Parties. Such amendments shall be executed using the Amendment form attached hereto as Exhibit "B" and shall not be binding unless they are in writing and signed by personnel authorized to bind each of the Parties. All terms and conditions contained in this Agreement shall be applicable to Amendment work.

14. No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any Person other than the Parties, their affiliates, employees, directors and officers, commissioners and members and their respective successors and permitted assigns.

15. No Assignment. Contractor may not assign the Agreement or any part of it without express written consent from Grant. Any assignment in violation of this provision shall be void.

16. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

17. Entire Agreement. This Agreement (including the documents referred to herein) constitutes the entire Agreement between the Parties and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they have related in any way to the subject matter hereof.

18. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

19. Expenses. Each party to this Agreement shall bear its own expenses in connection with the preparation of this Agreement and the performance of its obligations hereunder.

20. Project Updates. Contractor will provide project updates as needed to Grant's Administrator by written e-mail. At a minimum, project updates should occur once project initiation begins, at major milestones, when critical decisions that could potentially affect project outcome arise and after the project is completed.

21. Equipment and Material Purchases. Any equipment or excess material reimbursed with a value that exceeds \$300.00 before taxes shall be returned to Grant within fifteen (15) days of completion of the work (PRCC SOA 2013-04).

22. Habitat Restoration. Property acquisitions, which through applied restoration will substantially increase production of planned species, may have greater importance for purchase. The PRCCHSC shall approve and potentially direct any habitat restoration on any land acquired by this purchase in advance of the planning and/or design stage.

23. Reselling of Property. The PRCCHSC may specify additional protections that should be attached to the title. If Contractor intends to transfer the property to a third party, Contractor must obtain approval from the PRCCHSC who shall approve the transfer of the property in advance, which approval shall not be unreasonably withheld, and property cannot be sold until the specified protections are legally attached to the title. In the event that Contractor desires to sell all or any portion of the property for non-habitat use, Contractor must obtain approval from the PRCCHSC, and the parties will agree in advance on a formula for reimbursement to PRCCHSC of a proportionate share of its investment in the property.

24. Public Access. Public access shall be allowed on the property with certain conditions and/or restrictions, as approved by the PRCCHSC.

25. Appraisals. Contractor expressly agrees that the Project Sponsor (i.e., agency/party submitting the Project Specification Sheet to PRCCHSC) and associated staff will not communicate with the Appraiser and/or Landowner in any manner, whether it be in regard to the project or otherwise, without express permission from, or in the presence of the designated PRCCHSC liaison.

26. Deed of Right To Use Land for Conservation Purposes: Funding for this project is contingent upon the acceptance and approval by the Parties of the Entiat Mainstem Deed of Right to Use Land for Conservation Purposes, attached hereto as Exhibit "C".

Approved and agreed to by:

Public Utility District No. 2
of Grant County, Washington

Methow Salmon Recovery Foundation

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**EXHIBIT “A”
PRCC Habitat Funds
PROJECT SPECIFICATION SHEET**

PRCC Habitat Funds Project Specifications Sheet

Date submitted:

June 04, 2024

Project Sponsor: (include name, title, mailing address, phone number and email).

Methow Salmon Recovery Foundation
PO Box 755
Twisp WA 98856
Chris Johnson, Executive Director, chrisj@methowsalmon.org (509) 429-1232
Tare Gregg, Project Manager, tara@methowsalmon.org (509) 429-5999

Project Liaison: (PRCC Habitat Subcommittee representative as an additional point of contact).

Kate Terrell

Project Title: (Sponsor to provide a project title. Grant PUD will add a special title for contract management purposes only).

Bartsch Acquisition – Lower Twisp River - Reach 2A

Project Type: (Should be classified as one of the following-Appraisal, Assessment, Channel Restoration, Conservation Easement, Design, Fish Passage, Instream Flow, Instream Structure, Land Acquisition, Predator Control, Project Development, Riparian Habitat.).

Appraisal and Land Acquisition

Location: (Give a description of the project location within the Upper Columbia including the lat. and long.).

Twisp River @ RM 1.5
RM 42 within the Lower Twisp Reach 2A assessment area (YN 2010)
Center of property at 48.3685N, 120.1403W

Requested funding amount from PRCC Habitat Subcommittee:

Total Request = \$1,250,200.00 (plus appraisal costs)

Short description: (Two to three sentences should suffice).

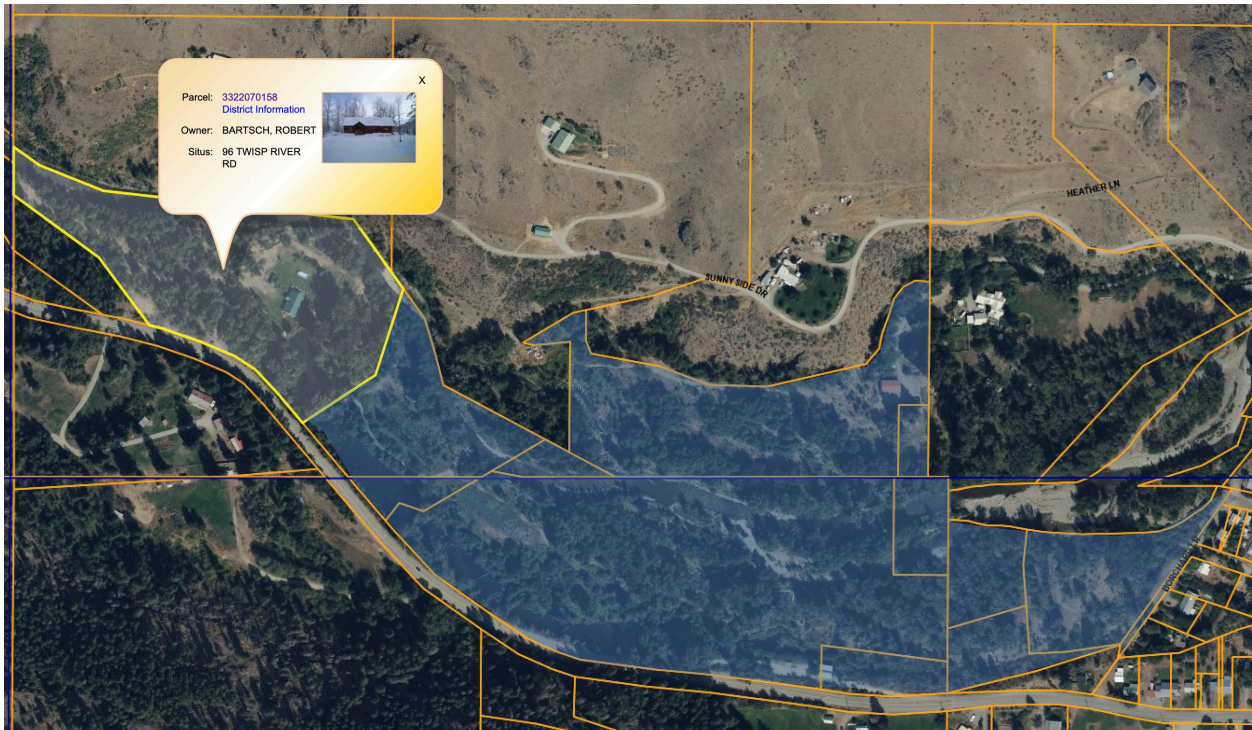
MSRF is seeking support from PRCC Habitat Committee to purchase a 7.86 acre residential zoned property with an existing 2500 square foot residential home. The property lies immediately upstream of the MSRF Ponds complex, which relies upon an existing surface diversion and canal built across the

property to maintain habitat conditions in the ponds. Acquisition would allow for removal of a 1,200 L.F. levee constructed following flooding in 1972.

Project description and justification: (Should be no more than 3 pages, not including photos or diagrams).

This request seeks funding support to acquire the final property needed to restore floodplain capacity and connectivity to remove artificial constraints on the surface water intake supporting restoration actions at the MSRF owned Twisp Ponds complex (Exhibit 1), enhance opportunities for channel migration, and improve connectivity between the Twisp River and the largely isolated floodplain.

The property (highlighted in yellow) was initially prioritized for acquisition by MSRF in 2000, when MSRF began efforts to acquire the larger group of properties that make up the Ponds Complex (highlighted in blue). While MSRF was not able to acquire the property during that period, we subsequently secured a first right of consideration for purchase from the current owners and have enjoyed a cooperative relationship for more than 20 years, that has allowed us continued access to the intake diversion and supply canal. Although MSRF does hold an easement across the property for the diversion and canal, the easement does not provide any opportunities for expanded habitat protection or improvements beyond the developed footprint. The current owner has participated in a number of habitat improvements over the past 2 decades, but future owners will not be under any obligation to maintain or expand on those actions.



This acquisition would allow MSRF several options to expand habitat actions that would increase resilience to the water supply for the Ponds Complex, restore floodplain processes and expand riparian buffers to both the river and adjacent wetland areas. The existing home could be removed from the property (re-sale or disposal), or retained on a smaller portion of the property to support resale to recover a portion of acquisition costs provided by the Committees. However, removal of the home would eliminate the need for the structural protection provided by the existing flood levee, providing the highest level of uplift and floodplain engagement.

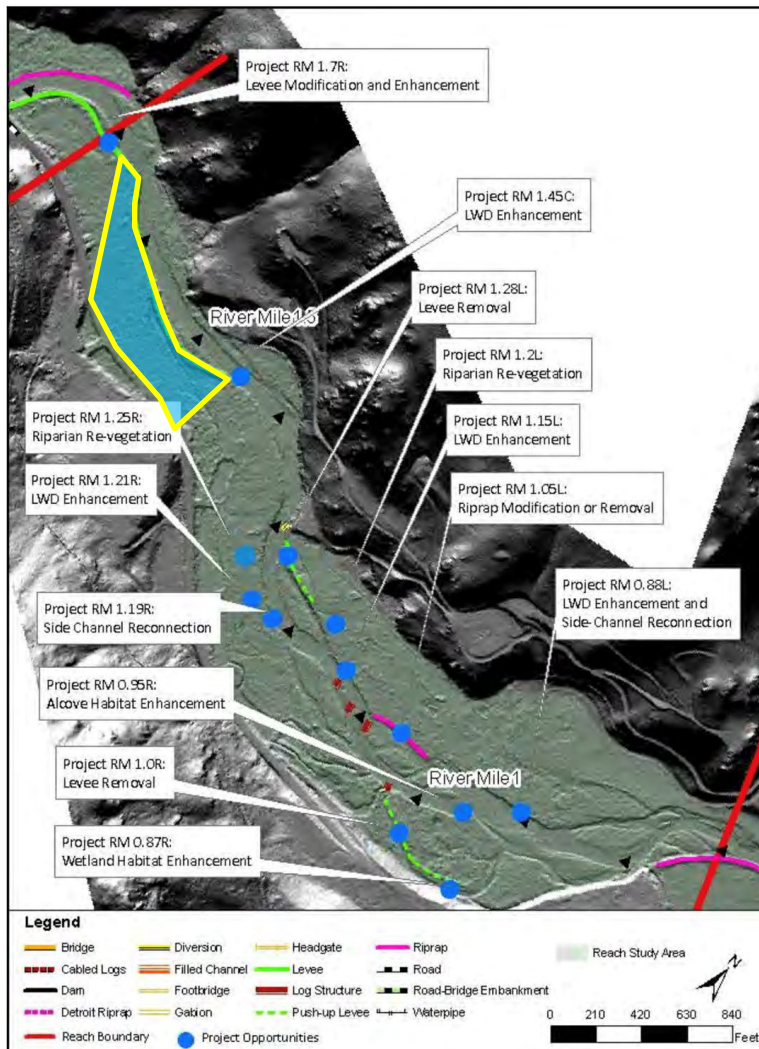
MSRF has been requested by the landowners to submit this funding request prior to listing their property on the MLS. We are proceeding in hopes that the committees will support appraisal and acquisition of the property in its entirety. MSRF is seeking to remove the potential for future development of the property that would limit the opportunity to improve surface connectivity between the Twisp surface intake and the MSRF Ponds Complex. We have confirmed that segregation of the property could be completed through a Boundary Line Adjustment process if the Committees desire resale of the existing home to recover a portion of the purchase cost. Through comparison of the 2022 Lidar mapping and FEMA flood maps, we have also confirmed that the existing residence is elevated above the mapped 100-year floodplain.

Acquisition of the property and removal of the existing home would address a primary reach scale objective of providing increased opportunities for side channel activation and flood plain inundation. Prior flood levee construction has been identified in the Lower Twisp RA as limiting the potential for reach-scale, process-focused approaches within the T2a reach.

The Twisp Ponds project was initiated in 2000 to expand opportunities for the Twisp River to access the formerly active river corridor by preventing construction of proposed housing and removing several existing residential properties. Unfortunately, MSRF was not able to secure funding quickly enough to acquire the Subject property, which sold less than 2 months before funding was secured. While MSRF succeeded in acquiring the remaining properties needed to re-establish a perennial surface connection through the Subject property, the intake diversion is controlled by a concrete headgate through the existing flood levee. Acquisition of this property, would allow modification of the flood levee without increase risk to any other privately held lands or infrastructure and would allow MSRF to reengage habitat-forming river processes on the site that would be more dynamic and self-sustaining.

MSRF is currently seeking grant support to expand riparian buffer protections and increase in channel complexity through the SRFB/ RCO grant process and to make improvements to conveyance channels on the Subject property. Committee support for this acquisition request would expand the desired benefits of the riparian complexity project and reduce constraints on conveyance channels (culverts and bridges for residential access), allowing funds to be focused entirely on habitat connection efforts.

Reach Assessment Identification:



The area shaded in blue highlights the acquisition property.
The RA identifies levee modification and Enhancement as desired actions.
Acquisition of this property would allow those actions to be initiated.

Project cost: (Provide an itemized budget for the funding requested from the PRCC Habitat Subcommittee and describe the reimbursement process and/or type of contract to be drafted. For example, do you prefer an actual cost reimbursement, fixed cost, monthly invoicing, etc.?).

PROPOSED BUDGET			
BUDGET ITEM	PRCC-HSC REQUEST	OTHER CONTRIBUTIONS	TOTAL COST
Project Management and Admin	5,000		5,000
Appraisal	In-Kind		In-Kind
Land Acquisition (Estimate)	1,230,000		1,230,000
Title Guarantee	5,000		5,000
Fees, taxes and recording	5,000		5,000
Boundary Adjustment with Survey	4,000		4,000
Indirect*	1,200		1,200
TOTAL	1,250,200		1,250,200

Estimated Timeline: (Populate the table so that the committee can foresee the projected timeline).

	2024				2025				2026
	Spring	Summer	Fall	Winter	Spring	Summer	Fall	Winter	
Planning and Coordination	X	X	X						
Appraisal and Purchase Agreements			X	X					
Acquisition and closing		X	X	X	X				
Deed Restrictions					X				
Reporting						X			
Optional Items for consideration									
BLA/Segregation Process *									Include in Request
Resale / Removal of residence**									Funding Dependent
Levee Modifications									Funding Dependent
Riparian restoration									RCO Funding Requested

**** MSRF will work with the PRCC Habitat Subcommittee to identify appropriate timing and resources for completion of these actions.**

Final comments and instructions:

Provide contact information for the following if applicable: contracting, financial, legal, project manager, as well as the contract signatory (if different than the project sponsor).

Please include an electronic copy of this specification sheet in Word format to the PRCC Habitat Subcommittee Facilitator and PRCC Habitat Subcommittee Liaison Representative when submitting your proposal.

For appraisals associated with fee simple land acquisition, please provide the following:

Property Information

Owner Name: Robert Bartsch
Address: PO Box 12 Twisp WA 98856

General Directions: Property is located approximately 0.94 miles west of the intersection of Twisp River Road and Hwy 20

Parcel Number: Bartsch -3322070158

Inspection Contact & Phone: Rob Bartsch (206) 390-2081

Other Considerations:

Appraisal Type: Fee Acquisition

Intended Users: Methow Salmon Recovery Foundation, Tributary Committees

Reminder: When discussing potential appraisals, be sure to communicate with the Project Liaison in advance.

Disclaimer: Any habitat proposals presented to the PRCC Habitat Subcommittee for review should meet the terms and conditions outlined in the 2008 NMFS Biological Opinion, the Priest Rapids Salmon and Settlement Agreement, and the FERC-ordered Habitat Plan issued on 5 March 2010. For more information, please contact a member of the PRCC Habitat Subcommittee.

EXHIBIT "B"
AMENDMENT
NO.

Pursuant to Section 13, the following changes are hereby incorporated into this Agreement:

- A. Description of Change: Increase/decrease the Agreement Price and extend the Agreement completion date.
- B. Time of Completion: The revised completion date shall be _____.
OR
The completion date shall remain _____.
- C. Agreement Price Adjustment: As a result of this Amendment, the not to exceed Agreement Price shall remain unchanged be increased/decreased by the sum of _____ including all applicable taxes. This Amendment shall not provide any basis for any other payments to or claims by the Contractor as a result of or arising out of the performance of the work described herein. The new total revised maximum Agreement Price is _____, including all applicable taxes and changes incorporated by this Amendment.
- D. Except as specifically provided herein, all other Agreement terms and conditions shall remain unchanged.

Public Utility District No. 2
of Grant County, Washington

Methow Salmon Recovery Foundation

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

**EXHIBIT “C”
DEED OF RIGHT TO USE LAND
FOR CONSERVATION PURPOSES**

GRANTOR: Methow Salmon Recovery Foundation (Grantor)
GRANTEE: PRCC Habitat Subcommittee (PRCC HabSC)

Legal Description (Abbreviated): See Attachment “A” for Legal Description of Grantor’s property (the “Property”).

Project Agreement

The Grantor, for and in consideration of monies coming in whole or in part from the Priest Rapids Habitat Conservation Fund (Habitat Supplemental Fund 602) and in fulfillment of terms of this Deed of Right To Use Land For Conservation Purposes (“Deed of Right”), conveys and grants to the Priest Rapids Coordinating Committee Habitat Subcommittee (PRCC HabSC), individually and as the representative of the PRCC HabSC, for the benefit of the of the PRCC HabSC and its individual members, the right to use the Property described in Attachment “A” forever for the conservation purposes identified in this Project Agreement and set forth below as the Restrictive Covenants.

The Grantor will not make or permit to be made any new use of the salmon habitat recovery area, as shown on Attachment “C”, Protected Property, or any part of it, which is inconsistent with the right to use for conservation purposes herein granted unless the PRCC HabSC or its successors, consent to the inconsistent use. Grantors and PRCC HabSC acknowledge that the property will remain burdened by any existing easements of record for utilities or other public services benefitting adjacent properties.

This deed shall in no way modify or extinguish the functions of the Grantor under the Project Agreement, including the Grantor's functions to conserve, enhance, operate, and maintain the land as set out in the Project Agreement.

RESTRICTIVE COVENANTS

Grantor is the owner of the property located in Okanogan County, Washington, more specifically described as follows:

See Attachment "A" Legal Descriptions

Grantor does hereby declare and establish the following covenants, conditions, and restrictions for said Property and further hereby declares and establishes that the Property is and shall be held and shall be conveyed at all times, in whole or in part, subject to the covenants, conditions and restrictions as set forth herein, said covenants, conditions, and restrictions to run with the land.

PREAMBLE

Grantor, as owner of the Property described and incorporated herein by this reference, has acquired the Property for the purpose of conservation, restoration and enhancement actions related to salmon recovery, to ensure that said Property is used for purposes compatible with conservation and salmon recovery, as defined herein, indefinitely, and to restrict the use of the Property now and into the future to those conservation and salmon recovery actions defined herein.

Grantor is creating these covenants, conditions, restrictions for the Property. Grantor declares and specifies that the covenants, conditions, and restrictions set forth herein shall constitute covenants to run with the land, as provided by law, and shall be binding on all parties and all persons claiming under them, for the benefit of and limitations on all future owners of the Property and, for and in consideration of money coming from the PRCC HabSC and its successors and assigns, individually and as a representative of the members of the PRCC HabSC, provided funding for acquisition of the Property.

All successive future owners and/or occupants of the Property and the PRCC HabSC shall have the same right to invoke and enforce the covenants, conditions, restrictions, and reservations applicable to this conveyance as the original parties to this document.

GENERAL COVENANTS

1. Allowed Uses Restricted

All parties to this Instrument agree and consent to the establishment of certain covenants and restrictions designed and intended to ensure the conservation, enhancement, and restoration of the Property.

All parties consent and agree that no part of the Property shall be used now or in the future for any purpose other than the following activities:

- a. To support federal, state, tribal, and local salmon recovery efforts
- b. To protect, preserve, and enhance riparian conditions
- c. For habitat restoration and enhancement work
- d. For education and outreach purposes
- e. For scientific inquiry and/or projects related to the monitoring of threatened and/or endangered salmonids

Additionally, the following provisions apply to the Property:

- a. Any management activities should be for the explicit purpose of aquatic restoration, riparian enhancement, and forest health and fuels management objectives.
- b. No livestock grazing.
- c. All proposed forest management activities must have a clear ecological objective (i.e., improve forest health, reduce hazardous fuels, improve wildlife habitat, etc.). While these treatments may, in some instances, generate income through log sales, economic considerations will not be a primary objective in implementing them.
- d. Off-road motorized vehicle use for recreational purposes will be prohibited.
- e. Private roads within 200 feet of stream channels and defined waterways should be prioritized for road decommissioning.
- f. No new road construction except as needed to implement restoration and road decommissioning efforts.
- g. Existing road and trail crossings that cannot be decommissioned will be prioritized for evaluation and implementation of design features and maintenance practices that eliminate or reduce road/stream interactions, sediment mobilization, and sediment transport to defined waterways.
- h. The surface exploration, development, mining, or extraction of soil, sand, gravel, mineral, oil, gas, or other substance from the surface of the property is prohibited.
- i. Any proposed new buildings or structures must be approved by the PRCC HabSC.
- j. Undeveloped non-motorized recreational uses, such as hiking, camping, bird watching, hunting, and fishing are permitted as long as such uses do not impair the wildlife and aquatic habitats and other Conservation Values.

In addition, for the first ten years after execution of this Agreement, Grantor will annually present completed projects, changes and effects of public access, and proposed actions on the Property to the PRCC HabSC. Thereafter, Grantor will present this information at the request of the PRCC HabSC, but not more than once per year.

Public access will be allowed on the Property in one or more designated area. Grantor shall retain the right to restrict public access in sensitive areas as needed to ensure restoration objectives are maintained. Public access actions on the Property that may be detrimental to the conservation, enhancement, and restoration of the Property for salmon recovery purposes as described above must be reviewed and approved in advance by the PRCC HabSC.

2. Effectiveness

These covenants, conditions and restrictions shall become effective upon recording at the Chelan County Auditor's office.

3. Exceptions and Reservations

The Property was acquired subject to encumbrances, easements and other rights of record identified set forth in Attachment "A". Said encumbrances, easements and other rights of record shall continue to be in force. Grantor retains and reserves all rights, privileges, and uses not specifically granted to PRCC HabSC through the recorded Deed of Right, Covenants and Conditions, or as a direct responsibility of funding Agreement.

4. Enforcement.

The covenants, conditions, and restrictions set forth in this instrument shall operate as covenants running with the land for the benefit of Grantor and any and all persons who now, or who may hereafter own any part of the Property, and the PRCC HabSC, and such persons are specifically given the right to enforce these restrictions through any proceedings, at law or in equity, against any person or persons violating or threatening to violate the restrictions, and recover any damages suffered by them from any violation of the restrictions, and to enjoin any such violation.

5. Attorney Fees and Costs.

The prevailing party in any dispute related to the enforcement of these covenants, conditions, and restrictions shall be entitled to the recovery of reasonable attorney's fees and costs.

6. Duration, Termination, and Amendment.

This instrument is made subject to the above covenants, conditions, and restrictions, which shall run with the land and shall be binding on all parties and all persons claiming under them in perpetuity unless modified or amended by a recorded instrument signed by the then Grantors of the Property and the PRCC HabSC, or its successors and assigns, which terminates or amends the covenants in whole or in part. No other persons or parties shall have rights or abilities to amend or terminate these Covenants or any part therein.

7. Conversion and Resale

The PRCC HabSC will consent to an inconsistent use, conversion, or resale of the property interest protected under this Deed only to the extent permitted by law and upon the following three conditions.

- a) Grantor shall substitute salmon recovery land of reasonably equivalent habitat qualities, characteristics, and location for the salmon recovery purposes as the Real Property prior to any inconsistent use.
- b) The substitute salmon recovery land must be of at least equal fair market value to the Real Property at the time of Grantee’s consent to the inconsistent use.
- c) The fair market value of the Real Property at the time of the Grantee’s consent to the inconsistent use shall not take into consideration any encumbrances imposed on or alterations made to that land as a result of the original state grant and other grants if such encumbrances or alterations reduce the value of the Real Property from what it would be without them.

Except, where Grantor determines that transfer of the property to another approved conservancy or lands management entity would lead to increased efficiency in achieving the partner’s long-term objectives for the property. In such cases, Grantor could approve such transfer or conversion based on PRCC HabSC review and consent of the transaction together with review and evidence that habitat protections secured through the initial agreement are maintained.

8. Severability.

The provisions hereof shall be deemed independent and severable, the invalidity or partial invalidity or unenforceability of any provision shall not affect any other provision hereof.

Dated this ___ day of _____ 2025.

By _____

its _____

State of Washington
County of _____

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me and said person acknowledged that they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in the instrument.

GIVEN under my hand and official seal this _____ day of _____, 2025

Signature _____
Notary Public in and for the state of _____
Residing at _____
My commission expires _____

ATTACHMENT "A"
LEGAL DESCRIPTION

Legal Description (Abbreviated): Parcel No. 3322070158; TAX 158 PT LOT 4 (SW SW) N/RD S/RIV

Property Address: Map Number 96 TWISP RIVER RD, Assessors Map

Recording Number: TBD

Recording Date: TBD

Full Legal Description

The Land referred to herein below is situated in the County of Okanogan, State of Washington, and is described as follows:

THAT PART OF GOVERNMENT LOT 4 (THE SW 1/4-SW 1/4) IN SECTION 7, TOWNSHIP 33 NORTH, RANGE 22 EAST W.M. IN OKANOGAN COUNTY, WASHINGTON LYING SOUTHWESTERLY OF THE THREAD OF THE TWISP RIVER, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID GOVERNMENT LOT 4, A CONCRETE BRASS CAPPED MONUMENT;
THENCE SOUTH 0°29'31" WEST ALONG THE WEST LINE OF SAID GOVERNMENT LOT 4, 431.72 FEET TO THE POINT OF BEGINNING AND THE THREAD OF THE TWISP RIVER;
THENCE EASTERLY ALONG SAID THREAD THE FOLLOWING COURSES AND DISTANCES, SOUTH 47°00'00" EAST 141.27 FEET, SOUTH 74°22'20" EAST 205.72 FEET, SOUTH 84°17'25" EAST 628.27 FEET, SOUTH 39°36'53" EAST 163.17 FEET;
THENCE LEAVING SAID THREAD SOUTH 25°58'00" WEST 219.71 FEET;
THENCE SOUTH 39°23'33" WEST 242.72 FEET TO THE NORTHERLY MARGIN OF THE TWISP RIVER ROAD AS ESTABLISHED 60.00 FEET IN WIDTH AND A POINT OF CURVE TO THE LEFT WHOSE CENTER LIES SOUTH 51°01'29" WEST 665.00 FEET DISTANT;
THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 38°25'30" AN ARC DISTANCE OF 445.98 FEET TO A POINT OF TANGENT;
THENCE CONTINUING ALONG SAID MARGIN NORTH 77°24'01" WEST 200.72 FEET TO THE EASTERLY BOUNDARY, OF THAT TRACT OF LAND DEEDED TO GAYELYN WEBB UNDER AUDITOR'S FILE NO. 784797 AND RECORDED IN BOOK 95 OF DEEDS, PAGE 1969 RECORDS OF SAID COUNTY.
THENCE NORTH 28°46'16" WEST ALONG SAID LINE 175.33 FEET;
THENCE NORTH 49°50'53" WEST 169.78 FEET TO THE WEST LINE OF SAID GOVERNMENT LOT 4, AND A POINT THAT LIES NORTH 0°29'31" EAST 698.38 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION;
THENCE NORTH 0°29'31" 187.37 FEET TO THE POINT OF BEGINNING.

SITUATE IN THE COUNTY OF OKANOGAN, STATE OF WASHINGTON.

Legal Description per Deed files under AF# 3211091, Records of Okanogan County.

ATTACHMENT "B"
APPRAISAL AND TITLE REPORT

The Appraisal and Title Report are included within these contract documents as a separate file.

ATTACHMENT "C"
PROTECTED PROPERTY

