

A G E N D A
GRANT COUNTY PUBLIC UTILITY DISTRICT
30 C Street SW – Commission Meeting Room
Ephrata, Washington
COMMISSION MEETING
Tuesday, September 10, 2024

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

- 8:30 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 August 27, 2024.

2. Regular Agenda

9064 – Resolution Amending the Governance Policy and Superseding Prior Resolutions
Relating to Governance of Grant PUD.

Motion authorizing the General Manager/CEO to execute Change Order No. 1 to Contract
430-11621 with Washington State Department of Fish and Wildlife, increasing the not-to-
exceed contract amount by \$586,915.00 plus applicable sales tax for a one year duration to
extend to December 31, 2025 to continue the monitoring and evaluation (M&E) of hatchery
programs for a new contract total of \$1,705,561.00 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. 1.

(3486)

3. Review Items For Next Business Meeting

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute Contract 130-12168A and reset the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for Contract 130-12168A with Siemens Industry, Inc. (xxxx)

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute Contract 130-12168B and reset the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for Contract 130-12168B with S & C Electric Company. (xxxx)

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to sign Real Estate Purchase and Sale Agreement between Nestor Homes LLC., a limited liability company and Public Utility District No. 2 of Grant County, Washington a municipal corporation for the acquisition of a certain parcel of land consisting of approximately 20 acres, more or less and commonly known as Grant County Assessor Parcel No. 161201000 in Section 2, Township 17 North, Range 27 East W.M., Grant County, Washington, in the amount of \$18,000.00. (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

August 27, 2024

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: Tom Flint, President; Terry Pyle, Vice-President; Larry Schaapman, Secretary; Judy Wilson, Commissioner and Nelson Cox, 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.

The Commission calendar was reviewed.

Deprea Standley, Senior Financial Analyst and Julio Aguirre Carmona, Rates and Pricing Manager, gave an update on the Rate Proposal.

Jordan Rang, Safety Coordinator, presented the Safety Report.

Aaron Kuntz, Senior Manager of EPMO, gave the EPMO Report.

Lindsey McDonnell, Senior Customer Strategist; Heidi Juarez, Customer Strategist; Kieth Siebert, Senior Customer Strategist, presented the Customer Strategist Quarterly Report.

Andy Wendell, Senior Manager of Large Power Solutions; Vanessa Villela, Business Development Manager, gave the Large Power Solutions Quarterly Report.

The Commission attended a lunch meeting with Grant County Commissioners.

Murry Van Dyke, Quincy, Washington, spoke about his concern with the Proposed Resolution.

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

Payment Number	146033	through	146424	\$28,246,402.71
Payroll Direct Deposit	243754	through	244602	\$2,609,631.04
Payroll Tax and Garnishments	20240821A	through	20240821B	\$1,138,704.35

Meeting minutes of August 13, 2024.

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

Resolution No. 9061 relative to filing of a proposed budget was presented to the Commission. Motion was made by Commissioner Cox and seconded by Commissioner Wilson to approve Resolution No. 9061. After consideration, the motion passed by unanimous vote of the Commission.

RESOLUTION NO. 9061

A RESOLUTION PROVIDING FOR THE FILING OF A PROPOSED BUDGET
FOR THE YEAR 2025, SETTING A DATE FOR PUBLIC HEARING THEREON
AND AUTHORIZING NOTICE OF SUCH MEETING

Recitals

1. Pursuant to RCW 54.16.080, Grant PUD is required to prepare a proposed budget and file it in its records on or before the first Monday in September;

WHEREAS, the preliminary proposed Budget of Revenue and Expenditures for Grant PUD for the year 2025 is attached hereto as Exhibits A and B; and

WHEREAS, public comment on the proposed budget will be officially open October 8th during the regular scheduled Commission Meeting and the District is planning to schedule public hearings regarding the proposed 2025 budget in the month of October at which any rate payer may appear and be heard for or against the whole or any part thereof.

NOW, THEREFORE BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington, that the preliminary 2025 budget is hereby made a part of the District's official records and public comment regarding the proposed 2025 budget shall open October 8th, 2024 during the regular scheduled Commission Meeting and conclude upon adoption of the budget. Notice of scheduled public hearings shall be published at least two consecutive weeks prior to the public hearing in a newspaper printed and of general circulation in Grant County.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 27th day of August 2024.

Resolution No. 9062 relative to approving the 2024 Integrated Resource Plan was presented to the Commission. Motion was made by Commissioner Schaapman and seconded by Commissioner Cox to approve Resolution No. 9062. After consideration, the motion passed by unanimous vote of the Commission.

RESOLUTION NO. 9062

A RESOLUTION AUTHORIZING AND APPROVING THE
2024 INTEGRATED RESOURCE PLAN (IRP)

Recitals

1. RCW Chapter 19.280.010 was enacted by the Washington State Legislature in 2006 to encourage the development of new safe, clean, and reliable energy resources to meet future demand in Washington for affordable and reliable electricity;
2. The State Legislature has found that it is essential that electric utilities in Washington develop comprehensive resource plans that explain the mix of generation and demand-side resources (conservation) they plan to use to meet their customers' electricity needs in both the short term and the long term;
3. RCW [19.280.030](#) requires that by September 2, 2024, Grant PUD adopt an Integrated Resources Plan which includes:
 - (a) A range of forecasts, for at least the next ten years or longer, of projected customer demand which takes into account econometric data and customer usage;
 - (b) An assessment of commercially available conservation and efficiency resources, as informed, as applicable, by the assessment for conservation

potential under

RCW [19.285.040](#) for the planning horizon consistent with (a) of this subsection. Such assessment may include, as appropriate, opportunities for development of combined heat and power as an energy and capacity resource, demand response and load management programs, and currently employed and new policies and programs needed to obtain the conservation and efficiency resources;

(c) An assessment of commercially available, utility scale renewable and nonrenewable generating technologies including a comparison of the benefits and risks of purchasing power or building new resources;

(d) A comparative evaluation of renewable and nonrenewable generating resources, including transmission and distribution delivery costs, and conservation and efficiency resources using "lowest reasonable cost" as a criterion;

(e) An assessment of methods, commercially available technologies, or facilities for integrating renewable resources, including but not limited to battery storage and pumped storage, and addressing overgeneration events, if applicable for the utility's resource portfolio.

(f) An assessment and twenty-year forecast of the availability of regional generation and transmission capacity to provide and deliver electricity to the utility's customers and to meet the requirements of chapter 288, Laws of 2019 and the state's greenhouse gas emissions reduction limits in [RCW 70A.45.020](#).

(g) A determination of resource adequacy metrics for the resource plan consistent with the forecasts;

(h) A forecast of distributed energy resources that may be installed by the utility's customers and an assessment of their effect on the utility's load and operations;

(i) An identification of an appropriate resource adequacy requirement and measurement metric consistent with prudent utility practice in implementing [RCW 19.405.030](#) through 19.405.050

(j) The integration of the demand forecasts, resource evaluations, and resource adequacy requirement into a long-range assessment describing the mix of supply side generating resources and conservation and efficiency resources that will meet current and projected needs, including mitigating overgeneration events and implementing [RCW 19.405.030](#) through 19.405.050, at the lowest reasonable cost and risk to the utility and its customers, while maintaining and protecting the safety, reliable operation, and balancing of its electric system;

(k) An assessment, informed by the cumulative impact analysis conducted under RCW 19.405.140, of: Energy and nonenergy benefits

and reductions of burdens to vulnerable populations and highly impacted communities; long-term and short-term public health and environmental benefits, costs, and risks; and energy security and risk;

(l) A ten-year clean energy action plan for implementing RCW 19.405.030 through 19.405.050 at the lowest reasonable cost, and at an acceptable resource adequacy standard, that identifies the specific actions to be taken by the utility consistent with the long-range integrated resource plan.

4. RCW 19.280.050 requires that Grant PUD's Commission encourage participation of its consumers in development of the Integrated Resources Plan and approve the plan after it has provided public notice and hearing which occurred on July 23, 2024;
5. Grant PUD's staff has prepared and submitted an Integrated Resources plan which meets the requirements of RCW Chapter 19.280.010 et seq., a copy of which is attached hereto as Exhibit A; and
6. Grant PUD's Chief Commercial Officer has reviewed the proposed Integrated Resources Plan and it complies with the requirements of RCW Chapter 19.280.010 et seq. and recommends its adoption by the Commission.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington, that the attached Integrated Resources Plan is hereby approved, and Grant PUD's General Manager/Chief Executive Officer is directed to file the plan with the Washington Department of Commerce.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 27th day of August 2024.

Resolution No. 9063 relative to accepting and awarding a bid was presented to the Commission. Motion was made by Commissioner Cox and seconded by Commissioner Schaapman to approve Resolution No. 9063. After consideration, the motion passed by unanimous vote of the Commission.

RESOLUTION NO. 9063

A RESOLUTION ACCEPTING A BID AND AWARDING CONTRACT 170-12412, FOR FURNISHING LAMINATED WOOD STRUCTURES FOR THE LARSON-STRATFORD PROJECT

Recitals

1. Bids were publicly opened on August 1, 2024 for Contract 170-12412, for Furnishing Laminated Wood Structures for the Larson-Stratford Project;
2. Bid proposals were received from the following suppliers/contractors and evaluated by Grant PUD's staff;
 - Laminated Wood Structures, Inc. - \$2,077,729.00
3. The low bid, submitted by Laminated Wood Structures, Inc. is both commercially and technically compliant with Grant PUD's contract requirements;
4. The bid is less than the Engineer's Estimate of \$2,000,000.00 plus 15%; and

5. Grant PUD's Senior Manager of Power Delivery and Director of Power Delivery concur with staff and recommend award to Laminated Wood Structures as the lowest responsible and best bid based on Grant PUD's plan and specifications.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington, that the General Manager is authorized to enter into a contract, Contract 170-12412, for Furnishing Laminated Wood Structures for the Larson-Stratford Project with Laminated Wood Structures, Inc. of Seward, Nebraska in the amount of \$2,077,729.00 plus applicable sales tax, upon receipt of the required payment and performance bond in a manner satisfactory to Grant PUD's Counsel.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 27th day of August, 2024.

Motion was made by Commissioner Cox and seconded by Commissioner Schaapman approving a settlement agreement with respect to Contract No. 130-11694HR, West Canal Substation Labor and Contract No. 130-11695H, Quincy Foothills Substation Labor each with Potelco, Inc. After consideration, the motion passed by unanimous vote of the Commission.

The Finance / Business Services Quarterly Finance Reports (QFR) for Labor, O&M and Capital were shared by the following Budget Managers:

- Finance/Business Services – Jennifer Sager, Senior Manager of Accounting
- Energy Supply Management – Craig Kunz, Senior Manager of Net Powering R&M
- Enterprise Technology – Amanda Anthony, Manager Software of Quality Assurance
- Human Resources – Kristi Van Diest, Human Resources Operations Manager
- Executive – Maggie Ramirez, Clerk of the Board, Executive Services Supervisor
- Internal Services – Craig Bressan, Senior Manager of Safety
- Protective Services – Craig Bressan, Senior Manager of Safety
- Chief Admin Office – Krissy Mackenzie, Manager of EPPM
- Customer Affairs – Cary West, Senior Manager of Customer Solutions
- External Affairs/Pricing – Chuck Allen, Senior Manager of External Affairs
- Telecom & Fiber Services – Terry Mckenzie, Senior Manager of Wholesale Telecom Fiber Services
- Power Delivery – Jesus Lopez, Director of Power Delivery
- Power Production – Rey Pulido, Director of Power Production
- Environmental Affairs/Cultural Resources – Ross Hendrick, Senior Manager of Environmental Affairs
- Asset Management – Russ Seiler, Senior Manager of Asset Management

Angelina Johnson, Senior Manager of Treasury and Financial Planning and Amy Thompson, Senior Financial Analyst, presented the Treasury Report.

Rafael Villalobos, Grant Writer and Harris Turner, Credit Analytics FA were introduced to the Commission.

The Commission recessed at 2:35 p.m.

The Commission resumed at 2:45 p.m.

An executive session was announced at 2:45 p.m. to last until 4:00 p.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 4:00 p.m. and the regular session resumed.

There being no further business to discuss, the August 27, 2024 meeting officially adjourned at 4:00 p.m. on August 27, 2024.

Tom Flint, President

ATTEST:

Larry Schaapman, Secretary

Terry Pyle, Vice President

Judy Wilson, Commissioner

Nelson Cox, Commissioner

REGULAR AGENDA

RESOLUTION NO. 9064

A RESOLUTION AMENDING THE GOVERNANCE POLICY AND SUPERSEDING PRIOR
RESOLUTIONS RELATING TO GOVERNANCE OF GRANT PUD

Recitals

1. Grant PUD has a Governance Policy adopted August 31, 2009 by Resolution No. 8402, and as amended by Resolution Nos. 8517, 8708, 8815, 8918, 8963, 8982, 8991, and 9013;
2. Grant PUD has reviewed and desires to update its Governance Policy.

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

Section 1. The Public Utility District No. 2 of Grant County, Washington Governance Policy (the "Governance Policy") attached as Exhibit A is hereby approved and adopted as the official governance policy of Grant PUD.

Section 2. Any prior resolutions inconsistent with the Governance Policy adopted herein are superseded to the extent of the inconsistency.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 10th day of September, 2024.

President

ATTEST:

Secretary

Vice President

Commissioner

Commissioner

GOVERNANCE POLICY

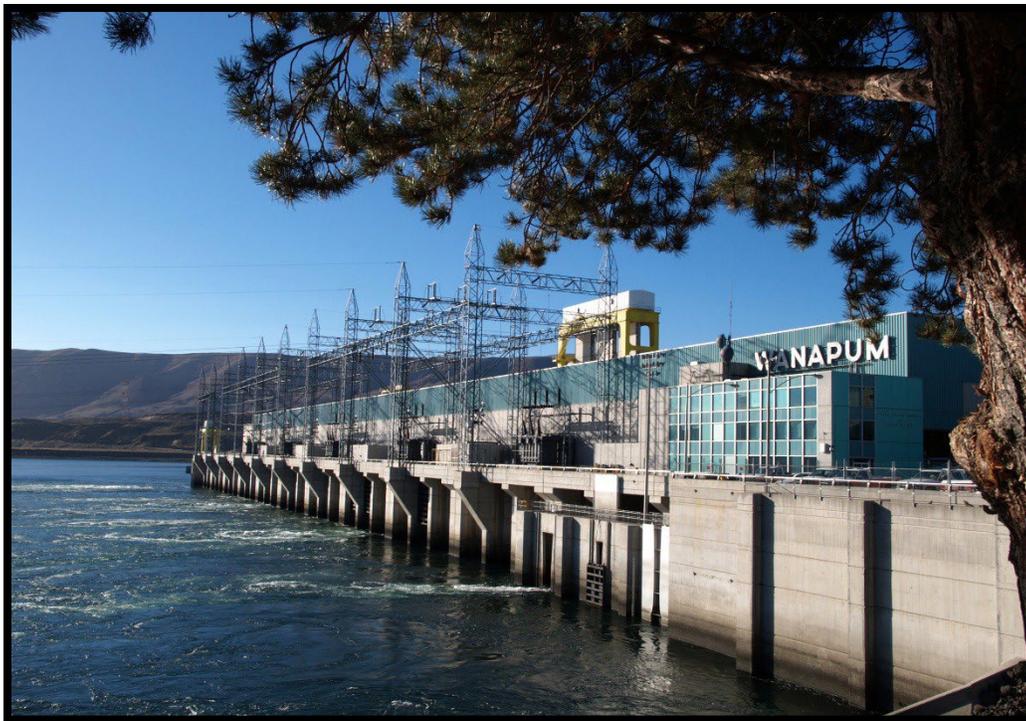


Exhibit A
Resolution No. 9064
September 10, 2024

Revised – Resolution No. 9013
Revised – Resolution No. 8991
Revised – Resolution No. 8402
Revised – Resolution No. 8517
Revised – Resolution No. 8708
Revised – Resolution No. 8815
Revised – Resolution No. 8918
Revised – Resolution No. 8963
Revised – Resolution No. 8982

Table of Contents

<u>Policy</u>	<u>Title</u>	<u>Page</u>
1	Purpose of the Commission	1
2	Governance Focus.....	1
3	Commission Member Job Description	2
4	General Meeting Rules	3
5	Presiding Officer.....	4
6	Commission Meeting Agenda.....	4
7	Motions	5
8	Voting	5
9	Audience Participation (Addressing the Commission)	6
10	Filling Commission Vacancies.....	6
11	Executive Sessions.....	6
12	Criminal Convictions & Violations of the Code of Ethics	7
13	Preserving the Attorney Client Privilege	7
14	Good Faith Cooperation with Insurance Carrier.....	7
15	Ultra Vires Actions.....	7
16	Violations of Commission Rules of Proceedings	7
17	Role of Commission President.....	8
18	Role of the Commission Vice-President	8
19	Role of the Commission Secretary.....	9
20	Commission Members' Code of Conduct	9
21	Board Training, Orientation.....	11
22	Commission Review of District Public Records	12
23	Commission Committees	12
24	Unity of Control	13
25	Commission-General Manager / CEO Relationship	13
26	Commission-General Counsel / CLO Relationship	14
27	Commission Relationship w/ Auditor and Treasurer	15
28	Delegation to the General Manager / CEO.....	16
29	Budget & Procurement Authority.....	17
30	Financial Policies	17
31	Amendment of These Rules	17

1 Purpose of the Commission

- A The Commission is the legislative body of Public Utility District No. 2 of Grant County, Washington pursuant to the Public Utility District Act, RCW Title 54, and all other applicable statutes and laws. The powers of the District are exercised through a five-member Commission pursuant to RCW 54.12.010.
- B The purpose and responsibility of Grant County PUD's Commission, on behalf of the customers of Grant County, is to provide oversight and democratic decisions that enable Grant County PUD to fulfill its mission of generating and delivering power and other services to its customers in a cost-effective and efficient manner.
- C Accordingly, the Commission will:
1. Identify and define the purpose, values, vision, and strategic direction of the District, along with the results the District is to achieve, and communicate them in the form of policy.
 2. Identify and define those results or conditions of the District that are acceptable and not acceptable to the Commission and communicate them in the form of policy.
 3. Make operational decisions designated by statute.
 4. Hire, evaluate, and terminate the General Manager / CEO.
 5. Appoint or remove the General Counsel/CLO.
 6. Appoint or remove the Treasurer.
 7. Appoint or remove the Auditor.
 8. Review and approve the budget in a timely manner.

2 Governance Focus

- A The Commission will govern with an emphasis on:
1. Strategic leadership.
 2. Encouragement of diversity in viewpoints.
 3. Clear distinction of Commission and General Manager / CEO roles.
 4. Collaborative rather than individual decisions.
 5. The future and present.
 6. Being proactive rather than reactive.
- B Specifically:
1. The Commission is responsible for excellence in governing.
 2. The Commission will direct, evaluate and inspire the organization through the careful establishment of written policies reflecting the Commission's values and vision.

3. The Commission's major policy focus will be on Grant County PUD's long-term impacts outside the organization, not on the administrative or programmatic means of achieving those effects. The Commission relies upon the expertise and diversity of its individual members to enhance the ability of the Commission as a body.
4. The Commission will establish and adhere to the standards needed to govern with excellence. Standards will apply to matters such as attendance at meetings, preparation for meetings, policymaking principles and codes of conduct.

3 Commission Member Job Description

A The specific duties of the Commissioners as elected representatives are to ensure appropriate organizational performance.

B Specifically, Commissioners will:

1. Regularly attend Commission meetings and workshops.
2. Adopt the District's Strategic Plan, review it annually and make appropriate revisions.
3. Adopt the District's budget on an annual basis.
4. Set the rates, rules and regulations for services and commodities provided by the District.
5. Enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policymaking principles, respect of roles, and ensuring the continuance of governance capability.
6. Promote continual Commission development which will include orientation of new Commission members in the Commission's governance process and periodic Commission discussion of process improvement to include periodic training and education.
7. Monitor and discuss the Commission's process and performance semi-annually at Commission workshops. Self-monitoring will include comparison of Commission activity and discipline to policies in the governance process. The Commission will determine the appropriate manner of evaluation and feedback.
8. Maintain written policies to ensure a high quality of governance and clear direction and roles in decision-making between the Commission and General Manager / CEO.
9. Respect their individual fiduciary duties to protect and enhance the District as a customer-owned utility with due diligence using sound business judgment. In addition, a minimum of two (2) Commissioners will attend the Financial Advisory Committee (FAC) and work with staff on the financial management of the District.
10. Hire the General Manager / CEO to handle the day-to-day operations of the District and fulfill the duties as outlined in RCW 54.16.100.

11. Evaluate and determine compensation for the General Manager / CEO. The Commission's evaluation criteria will focus on the District's strategic objectives.
 - a) Complete written mid-year evaluation of General Manager / CEO. The Commission will communicate any additional goals or objectives at the time of subsequent evaluation. At this time, the Commission will also determine proper General Manager / CEO compensation for the following calendar year.
 - b) Complete verbal year-end evaluation of General Manager / CEO. The Commission will communicate any new goals or objectives during the subsequent evaluation.
12. Develop and use outreach mechanisms to ensure the Commission hears the strategic viewpoints and values of its customer/owners, the community and other interested stakeholders. Community relations shall be an ongoing activity for all Commission members.
13. Take such other actions as may be required by law.

4 General Meeting Rules

- A The Commission may excuse an absent member by a majority vote. The Clerk of the Board will note in the minutes whether the member's absence was excused or un-excused. If a Commissioner anticipates an extended period of nonattendance in excess of 45 days, or is absent for a period of time in excess of 45 days, the Commission may excuse the absence by a majority vote in order to protect the Commissioner's position under RCW 54.12.010 prior to the 59th day of nonattendance. The Clerk of the Board shall note in the minutes whether the member's absence is excused or un-excused for the period.
- B Journal of Proceeding: A journal of all proceedings (minutes) of the Commission, except executive sessions, shall be kept in hardcopy and electronic form by the Clerk of the Board or their designee constituting the official record of the Commission. All Commission meetings and workshops held in the Ephrata Commission room, except executive sessions, shall be audio recorded, unless prevented by technical difficulties, and retained in accordance with State retention guidelines.
- C Right of Floor: Any members desiring to speak shall first be recognized by the Chair.
- D Decorum: All members, employees, and members of the public shall preserve order, decency and decorum at all times while the Commission is in session. No member shall, by conversation or otherwise, delay or interrupt the proceedings or the peace of the Commission, nor disturb any member who is speaking. No member shall refuse to obey an order of the Chair. Members shall confine their remarks to the subject under consideration. Discussion shall relate to the subject under consideration and shall be relevant and pertinent thereto so as to provide for the expeditious disposition and resolution of the District's business. No member shall use any impertinent, degrading or slanderous language as to any

other member, staff, or public. There shall be no lectures, speeches or grandstanding.

- E Audio/Video Area: All audio or video taping by the public and/or press shall be done from the back of the meeting room.

5 Presiding Officer

- A **President:** The President shall preside at meetings of the Commission, and be recognized as the head of the Commission for all ceremonial purposes. In case of the President's absence or temporary disability, the Vice-President shall act as President during the continuance of the absence. The President is referred to as the "Chair" or "Presiding Officer" from time-to-time in this Governance Policy.
- B **Call to Order:** The meetings of the Commission shall be called to order at the appointed time by the President or, in his absence, by the Vice-President. In the absence of both the President and Vice-President, the meeting shall be called to order by the Secretary.
- C **Preservation of Order:** The President shall preserve order and decorum; prevent attacks on personalities or the impugning of member's or public motives and confine members or public in debate to the question under discussion.
- D **Points of Order:** The President shall determine all points of order, subject to the right of any member to appeal to the Commission. If any appeal is taken, the question shall be "Shall the decision of the President be sustained?"
- E **Questions to be stated:** The President shall state all questions submitted for a vote and announce the results. A roll call shall be taken upon request of any member.
- F **President-Voting Powers:** The President shall vote on motions or other matters to be decided by the Commission unless he or she has abstained from discussion or debate and voting on an agenda item due to an announced conflict of interest.

6 Commission Meeting Agenda

- A The General Manager / CEO shall arrange a list of proposed matters according to the order of business and prepare an agenda for the Commission. A copy of the agenda and supporting materials shall be prepared for Commission members, the General Manager / CEO, and the press on or before the close of business on the Thursday before the regular Commission meeting.
- B The Consent Agenda may contain items which are of a routine and non-controversial nature and may include, but are not limited to the following;: meeting minutes, vouchers, travel, and trade association appointments. Any item on the Consent Agenda may be removed and considered separately as an agenda item at the request of any Commission member or any person attending a Commission meeting.

- C Members of the Commission, General Manager / CEO, or designee, will have the opportunity to discuss/recommend business or other matters for placement on future agendas. In addition, at each regular Commission meeting, time will be allowed for any Commission member, the General Manager / CEO, or designee to bring before the Commission any business that should be discussed or deliberated upon.
- D In the event of a natural disaster, attack or notice of imminent attack, where it becomes imprudent, inexpedient or impossible to conduct the affairs of the District at the regular or usual place, the Commission may meet at any place within or without its territorial limits on the call of the presiding President or any three members of the Commission. After any emergency relocation, the affairs of the District shall be conducted at such emergency temporary location for the duration of the emergency (RCW 42.14.075).

7 Motions

- A Members who wish to make a motion must first be recognized by the Presiding Officer. After the member makes a motion (and after the motion is seconded if required), the chair must restate it or rule it out of order, then call for discussion.
- B Most motions require a second, although there are some exceptions: nominations, points of order, and requests to remove an item from the consent agenda. The Presiding Officer will state the motion and call for the vote.
- C Motions for reconsideration must be made by a member from the prevailing side; any member may make the second. The following rules apply to motions for reconsideration: Motion must be in a timely manner but in no instance more than six (6) months after the original action. When (6) months have elapsed, any member may bring the item before the Commission.

8 Voting

- A The votes during all meetings of the Commission shall be transacted as follows:
 - 1. Unless otherwise provided for by statute, ordinance, or resolution, all votes shall be taken by voice, except that at the request of any Commission member, the Presiding Officer shall take roll call vote. The Presiding officer shall determine the order of the roll call vote.
 - 2. The passage of any motion or resolution shall require a majority vote of the whole Commission.
 - 3. Commission members shall vote on all matters before the Commission unless a statutory conflict of interest exists. If there is a conflict of interest, that Commission member shall state the conflict of interest and abstain from discussion and from voting on that matter.
 - 4. If any Commission member refuses to vote “aye” or “nay”, their vote shall be counted as an “aye” vote unless the Commissioner provides a reason to abstain.

9 Audience Participation (Addressing the Commission)

- A **Agenda Items:** Anyone desiring to speak to the Commission on an agenda item must sign the meeting register and indicate their desire to speak to the Presiding Officer at the beginning of the meeting unless otherwise recognized by the chair. This will generally take place during the public comment period of the meeting.
- B **Non-Agenda Items:** Anyone desiring to speak to the Commission on a non-agenda item shall sign the meeting register and indicate their desire to speak to the Chair at the beginning of the meeting. The Presiding Officer, at his or her discretion, may permit such persons to address the Commission and has the authority to limit the time for comment to three (3) minutes unless a longer period of time was either pre-arranged with the Clerk of the Board and/or is allowed by the Board President.
- C **Manner of Addressing the Commission:** Each person addressing the Commission shall step up to the microphone, give his/her name, address and city of residence and subject matter of comments in an audible tone of voice for the record. All comments shall be made to the entire Commission and not to any single member nor to staff. Any questions for Commission members or staff shall be presented through the Presiding Officer. The Commission will determine the disposition of any issues raised (e.g., placed on the present agenda, workshop, other agendas, refers to staff, or do not consider).
- D **Conduct of Audience:** All audience members shall abide by the rules of decorum contained in Section 4, General Meeting Rules, paragraph "D" entitled "Decorum". No audience member shall disrupt the conduct of the meeting or cheer, hoot, holler, gesture, whistle, guffaw, jeer, boo, hiss, make remarks out of turn, use profanity, or the like. Any audience member who does so shall be determined out of order and the Presiding Officer may have such person removed from the Commission chambers immediately. Such person shall not be permitted to attend the remainder of that Commission meeting.

10 Filling Commission Vacancies

- A Notice of Vacancy. If a Commission vacancy occurs, the Commission will follow the procedures outlined in RCW 42.12.070. In order to fill the vacancy with the most qualified person available until an election is held, the Commission will widely distribute and publish a notice of vacancy and the procedure and deadline for applying for the position.
- B Letters of Interest. The Commission will announce the vacancy and will accept letters of interest from any interested person for no less than 30 days from the time of official public announcement. The Commission will review the letters of interest and/or interview the applicants. The Commission will select and appoint a qualified person to the vacant Commission seat.

11 Executive Sessions

- A If the Commission convenes an executive session to discuss what is permitted by law, there is no valid reason to disclose publicly what was discussed and reviewed

privately. Everything which is discussed during an executive session, and all written materials that are reviewed during an executive session, shall be considered confidential and no Commission member shall publicly disclose any such information. The Commission finds that disclosing publicly what was discussed and reviewed during an executive session undermines the whole purpose of meeting in executive session. Public disclosure may be made in the event a majority of the Commission members vote to approve the public disclosure prior to its disclosure. Any request for such a vote shall be first raised during an executive session for discussion purposes prior to a vote in open session. The CEO & CLO or their designee shall be in attendance of all Executive Sessions with the following exceptions, a Commission only Executive Session or a one on one with the CEO.

12 Criminal Convictions & Violations of the Code of Ethics

A No Commission member shall serve on the Commission after having been convicted of any criminal violation of Chapter 42.23 RCW (as now enacted or hereafter amended) or any felony or malfeasance in office RCW 9.92.120 (as now enacted or hereafter amended). No Commission member shall serve on the Commission after having violated any of the provisions of Chapter 42.23 RCW (as now enacted or hereafter amended). No Commission member shall serve on the Commission after having been convicted of any offense involving a violation of his or her official oath RCW 42.12.010(5) (as now enacted or hereafter amended).

13 Preserving the Attorney Client Privilege

A No Commission member shall make any disclosures or release any information which would result in the waiver of the attorney/client privilege without first obtaining the approval of a majority of the Commission in open session. Such a request for disclosure shall first be raised during an executive session for discussion prior to a vote in open session.

14 Good Faith Cooperation with Insurance Carrier

A All Commission members shall cooperate in good faith with any insurance carrier or attorney representing the District in connection with a defense provided by an insurance carrier.

15 Ultra Vires Actions

A Commission members shall not act ultra vires, or outside the scope of their authority and duties as Commission members.

16 Violations of Commission Rules of Proceedings

A These Rules of Procedure/ Proceedings are adopted with the intent that they be fully enforceable and that violations thereof result in Commission action against members as provided herein and pursuant to RCW Title 54 and Title 42.23, as now enacted or hereafter amended. Any violation of these Rules of Procedure/ Proceedings is deemed to constitute disorderly conduct by such member.

B Any claim of violation of the Governance Policy must be made in writing by a Commission member and filed with the President and made a part of the minutes of the Commission meeting where the charge is first considered.

- C Members violating any other Rules of Procedure shall be subject to admonition for the first violation of a particular rule and reprimanded for subsequent violations.
- D **Admonition:** An admonition shall be verbal vote in open session, recorded in the minutes, made by the Commission to the member.
- E **Reprimand:** A reprimand shall be administered to the member by letter. The letter shall be prepared by the Commission after action in open session to approve such letter. If the member objects to the contents of such letter, he/she may file a request for review of the content of the letter of reprimand with the Commission. The Commission shall review the letter of reprimand based upon the request for review and any record established, and may take whatever action appears appropriate under the circumstances.

17 **Role of Commission President**

- A The President of the Commission shall:
 1. Ensure that the Commission jointly and consistently adheres to its own rules and policies, and those imposed upon it by the laws of the State of Washington.
 2. Preside over and facilitate Commission meetings.
 3. Ensure that deliberation is fair, open and thorough, but also timely, orderly and kept to the point.
 4. Preside over and facilitate all Commission meetings in accordance with this Governance Policy, if not otherwise addressed here, the most current version of and Roberts Rules of Order, as needed.
 5. Schedule and coordinate the semi-annual process of evaluating the General Manager / CEO.
 6. Have no authority to supervise or administratively direct the General Manager / CEO, apart from authority expressly granted the President by the Commission.
 7. Assume responsibility of the Commission that is not specifically assigned to another Commission member.
 8. Be allowed to delegate his or her authority, but remains accountable for its use.
 9. Call Special Meetings of the Commission in the event of a business need as provided for in RCW 42.30.080.

18 **Role of the Commission Vice-President**

- A The Vice-President of the Commission shall:
 1. Perform such duties as are assigned by the President.

2. Have all the power and duties of the President in the absence or inability of the President to act.
3. Have all the powers and duties of the Secretary in the absence or inability of the Secretary to act, when not acting as the President.

19 **Role of the Commission Secretary**

A The Secretary of the Commission shall:

1. Where appropriate, attest instruments and documents duly authorized by the Commission.
2. Perform all duties incident to the office of Secretary as may from time to time be required by law or assigned to such office by motion, rule or resolution of the Commission. These duties include defining action items and items for follow-up.
3. Have all the powers and duties of the President in the absence or inability of both the President and the Vice-President to act.

20 **Commission Members' Code of Conduct**

A Commission members shall conduct themselves in accordance with all laws. The State of Washington has adopted a "Code of Ethics" that applies to all municipal officers, codified under RCW 42.23. The declared purpose of the Code of Ethics is to make uniform the laws of the State concerning the transaction of business by municipal officers in conflict with the proper performance of their duties in the public interest, and to promote the efficiency of local government by prohibiting certain instances and areas of conflict while at the same time sanctioning, under sufficient controls, certain other instances and areas of conflict.

B Specifically:

1. Commission members are strictly prohibited by law from entering into or engaging in any activity defined by RCW 42.23 as a conflict of interest with their official duties as a Grant County PUD Commissioner.
2. On an annual basis and in a public forum, each Commissioner shall acknowledge their obligation to disclose any conflicts of interest as defined in RCW 42.23.
3. On a case by case basis, each Commission member will disclose to the other Commission members, in a public forum, any remote conflicts of interest as defined under RCW 42.23. Disclosure will be noted in the District's official minutes which are public record. A Commissioner with such remote interest will not participate in any discussion and/or debate concerning such interest, will not vote on the matter, and will do nothing to influence any other Commissioner concerning their decision on the matter.
4. Commission members will adhere to the Grant County PUD Code of Ethics adopted by the Commission, and shall conduct themselves with civility and respect at all times with one another, with staff, and with members of the public.

5. Commission members will adhere to the Grant County PUD policy on appropriate use of District resources.
6. Commission members will become familiar with their individual and joint obligations pertaining to the District's directive on reporting alleged improper governmental action, including actions required of the Commission regarding employee complaints of alleged improper governmental actions and/or employee claims of retaliation for reporting alleged improper governmental actions.
7. Commission members understand that all letters, memoranda and/or interactive computer or electronic information (including e-mail), the subject of which relates to the conduct of the District or the performance of any District function, are public records and may also be subject to disclosure under the Washington Public Records Act. Upon request, any such public records shall be provided to the Public Records Officer for inclusion in the District's records management program.
8. Commission members shall demonstrate loyalty to the interests of Grant County PUD's owners/ratepayers. This loyalty supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other Boards or staffs. It also supersedes the personal interest of any Commission member acting as a consumer of the District's activities.
9. Commission members may not attempt to exercise individual authority over Grant County PUD except as explicitly set forth and authorized in Commission policies.
 - a) Commission members recognize the lack of authority vested in them as individuals in their interactions with the General Manager / CEO and with staff, except where explicitly authorized by the Commission.
 - b) In interactions with the public, press or other entities, Commission members must recognize the same limitation and the inability of any Commission member to speak for the Commission except to repeat explicitly stated and adopted Commission decisions.
 - c) Commission members shall not lead the public or media to have the impression that the General Manager / CEO, Auditor, or Treasurer is out of compliance with policies absent a determination of non-compliance by the Commission.
10. In accordance with Washington's Open Public Meetings Act, Commission members:
 - a) Shall not meet as a quorum outside of Commission-called public meetings to hold discussions or make decisions as defined in RCW 42.30, regarding the business of the District.
 - b) Shall not meet as a quorum with staff outside of a Commission-called public meeting for the purpose of gathering information.
 - c) Understand that the requirements of the Washington Open Public Meetings Act applies to communications via telephone, e-mail, instant messaging or other forms of electronic communications. Any

exchange of communication between more than two Commission members may constitute an official meeting of the Commission and be in violation of the Act.

- d) Commission members may send information to other members of the Commission on an informational basis; however, replies and/or exchanges of communications with more than one Commissioner regarding District business must not occur outside of an official public meeting of the Commission. Any such e-mail sent for informational purposes as described above, by any member of the Commission, shall be sent individually, not as group e-mail. Commissioners will not "reply" to any e-mail received by all other members of the Commission.
- e) Commission members may not evade the requirements of the Open Public Meetings Act through use of "serial meetings", that is a series of smaller gatherings or use of a go-between such that the majority of Commissioners are not together but through the collection of other interactions the majority intend to take action..

- 11. Members will respect the confidentiality appropriate to issues regarding personnel, real estate transactions, proprietary matters, and attorney-client privileged communications, including those requirements listed under RCW 42.30.110, Executive Sessions and including any other confidential information gained by reason of the Commissioner's position.

21 **Board Training, Orientation**

- A The Commission shall ensure that its skills are sufficient to assure excellence in governance of Grant County PUD.
- B Specifically:
 - 1. New Commission members shall receive training and orientation in Commission governance, policies and procedures.
 - 2. New Commission members shall receive an orientation on the District's Strategic Plan.
 - 3. New Commission members shall receive other general orientation in the organization and operation of the District by the General Manager / CEO and/or his designate.
 - 4. Commission members shall receive training in the skills of effective communication and decision-making.
 - 5. The Commission President shall receive training in the facilitation of public meetings.

22 **Commission Review of District Public Records**

- A Grant County PUD has a duty to comply with appropriate public records requests as prescribed in the Washington Public Records Act. Commissioners do not give up their status as members of the public and therefore can request such information.
- B Because of the special status conferred upon the Commissioners as elected representatives, each Commissioner agrees that:
1. Commission member requests to inspect District documents that do not meet the criteria of a "public record" under RCW 42.56 and/or which may be confidential in nature, shall be forwarded directly to the General Manager / CEO, who will provide the requested files, as allowed by law, for review on District premises.
 2. No confidential or original documents shall be taken from District premises except with the authorization of the Commission or General Manager / CEO.
 3. Commission members shall adhere to the same confidentiality requirements applicable to employees when dealing with the District's records and other documents.
 4. District employee personnel files will not be subject to Commission review pursuant to the District's policies relating to employee records confidentiality and access except this limitation shall not apply to Commission appointees.
 5. Access to District public records may be achieved by making a verbal or written request to the General Manager / CEO or General Counsel / CLO.. The requested material will be provided to all five board members.

23 **Commission Committees**

- A The Commission may establish ad hoc advisory and standing committees.
- B The Commission will review the committees at least annually to determine whether they should continue.
- C Specifically:
1. Committees will ordinarily assist the Commission by gaining education, considering alternatives and implications, and preparing policy alternatives.
 2. Commission committees may not speak or act for the Commission, except when formally given such authority for specific and time-limited purposes.
 3. Commission committees cannot exercise authority over staff nor interfere with the delegation from the Commission to the General Manager / CEO.
 4. Participation in committee meetings shall be in compliance with the provisions of the Open Public Meetings Act, in that if three or more

Commission members are present, then the meeting must be properly noticed as a public meeting.

5. This policy applies to any group which is formed by Commission action, whether or not it is called a committee. It does not apply to committees formed under the authority of the General Manager / CEO.

24 **Unity of Control**

A Only decisions of the Commission acting as a body are binding upon the General Manager / CEO, the General Counsel/CLOthe Auditor, or Treasurer.

B Specifically, in or out of Commission Meetings:

1. Decisions or instructions of individual Commission members are not binding on the General Manager / CEO, General Counsel/CLOthe Auditor, or Treasurer except in instances when the Commission has specifically authorized such exercise of authority.
2. In the case of Commission members requesting information or assistance without Commission authorization, the General Manager / CEO, General Counsel/CLOthe Auditor, or Treasurer must refuse such requests that require, in their opinion, a material amount of staff time or funds, are disruptive to the District, or which may involve a conflict of interest between the District and the Commissioner requesting the information or assistance.
3. Commission members individually may communicate directly with District employees or contractors. However, the Commission as a body and the Commission members will never give direction to persons who report directly or indirectly to the General Manager / CEO, with the exception of the General Counsel/CLOAuditorand the Treasurer. If individual Commission members are dissatisfied with the response they receive, they may seek resolution through the Commission.
4. The Commission as a body and the Commission members will refrain from evaluating, either formally or informally, the job performance of any District employee other than the General Manager..

25 **Commission-General Manager / CEO Relationship**

A The Commission governs Grant County PUD and is the policy-making body of the District. The Commission operates under the provisions of the Revised Code of Washington, Title 54, Title 42 in part, and all other applicable statutes and laws.

B The Commission is responsible for the following:

1. Identifying and defining the purpose, values and vision of the District, along with the results that the District is to achieve, and communicating them in the form of policy.
2. Making certain operational decisions as designated by law.
3. Hiring, evaluating, and terminating the General Manager / CEO.

- C The General Manager / CEO is responsible for the following:
1. All operations of the District as well as the business affairs of the District.
 2. Achieving the results established by the Commission within the appropriate and ethical standards of business conduct set by the Commission.
 3. Enforcing District resolutions, administering directives, staff policies and procedures, hiring and terminating all employees except for the Auditor and Treasurer, attending meetings of the Commission and reporting on the general affairs of the District, and keeping the Commission advised as to the current and future business needs of the District.
 4. Appointing a person to serve as the District's Chief Financial Officer. This will be a person with sufficient education and experience to fulfill the duties of the position. Together with the Chief Financial Officer, the General Manager / CEO shall ensure that, to the best of their knowledge and belief, financial reports are complete and reliable in all material respects.
 5. Ensuring the smooth continuous operation of the District in the event of the planned or unplanned absence of the General Manager / CEO.
 6. Interacting with the public and other utilities and government agencies, pursuant to policies and direction adopted by the Commission.
 7. At the direction and oversight of the Commission, the General Manager / CEO and Chief Financial Officer, or their designees, shall jointly serve as the chief liaison with all external audit agencies, shall coordinate the proper independent audit of annual financial statements, and shall ensure that the results and findings of such audits are reported to the Commission. In acting in this capacity, the General Manager / CEO does not relieve the Commission of its oversight responsibility
 8. Perform other responsibilities as may be appropriately delegated by the Commission.

26 **Commission-General Counsel / CLO Relationship**

- A The General Counsel / CLO provides legal counsel to the District and to the Commission. The General Counsel / CLO reports to the General Manager / CEO for all administrative matters, including hiring, performance evaluations, salary administration, employee benefits, and terminations..

- B With respect to the Commission, the General Counsel / CLO shall:
1. Give his or her advice or opinion whenever he or she deems it necessary or when required by the Commission.
 2. Inform the Commission of material legal issues impacting the District or the Commission.
 3. Provide counsel to the Commission and individual Commission members with regard to conflict of interest issues.
 4. Provide counsel to the Commission and individual Commission members with regard to other ethical matters.
 5. Assist the Commission and individual Commission members in complying with and interpretation of applicable statutes, laws, and regulations.
 6. General Counsel shall provide such counsel and assistance only when such advice does not conflict with the General Counsel's obligations to the District or to the specific direction of the Commission.
 7. The General Counsel / CLO shall not provide legal counsel to Commission members except as it relates to their role as Grant County PUD Commission members.

27 Commission Relationship w/ Auditor and Treasurer

- A The District Auditor (Auditor) and District Treasurer (Treasurer) serve in the capacity set forth by Title 54 of the Revised Code of Washington.
- B The Commission is responsible for appointing or removing the Auditor and the Treasurer. The Commission, by resolution, shall designate an Auditor and this person shall be a District employee other than the General Manager / CEO or Treasurer. The Commission, by resolution, shall designate a person other than the County Treasurer to be District Treasurer and this person shall be a District employee other than the General Manager / CEO or Auditor. The Auditor and Treasurer shall perform those duties specified by RCW 54.24.010 and shall be granted direct access to the Commission at the request of the Auditor, Treasurer or Commission, but not less than quarterly in the performance of these duties.
- C The Auditor shall report to the General Counsel/CLO for all administrative matters, including hiring, performance evaluations, salary administration, employee benefits, and terminations. The Treasurer shall report to the Chief Financial Officer for all administrative matters, including hiring, performance evaluations, salary administration, employee benefits, and terminations.
- D The Treasurer or Deputy Treasurer shall provide quarterly reports to the Commission summarizing cash and investment activity, and provide other reports to the Commission as necessary related to the duties of the Treasurer or as requested by the Commission.
- E The Auditor or Deputy Auditor shall issue warrants for claims against the District. As soon as practical after issuance of such warrants, the Auditor shall provide a list of all warrants issued, and shall certify to the Commission that such disbursements satisfy just, due and unpaid obligations of the District, in a manner specified by the State Auditor.

- F If the Commission disapproves a paid claim on the District, the Auditor will request the Treasurer to recognize the claim as a receivable. The Treasurer and Auditor will pursue collection.
- G The Auditor shall develop an annual audit plan, and conduct audits contained within the plan or other audits as may be requested by the Commission. The Auditor shall report to the Commission on the progress and results of such audits at least semi-annually. The Auditor, in the performance of his or her duties, shall have unlimited access to all activities, records, property and personnel of the District.

28 **Delegation to the General Manager / CEO**

- A In accordance with RCW 54.16.100, the General Manager / CEO is the chief administrative officer of the District, in control of all administrative functions and shall be responsible to the Commission for the efficient administration of the affairs of the District placed in his or her charge. In the absence or temporary disability of the General Manager / CEO, the General Manager / CEO shall, with the approval of the President of the Commission, designate some competent person as Acting Manager.
- B The General Manager / CEO may attend all meetings of the Commission and its committees, and take part in the discussion of any matters pertaining to the duties of his or her department, but shall have no vote.
- C The General Manager / CEO shall carry out the orders of the Commission, and see that the laws pertaining to matters within the functions of his or her department are enforced; keep the Commission fully advised as to the financial condition and needs of the District; prepare an annual estimate for the ensuing fiscal year of the probable expenses of the department, and recommend to the Commission what development work should be undertaken, and what extensions and additions, if any, should be made during the ensuing fiscal year, with an estimate of the costs of the development work, extensions, and additions; certify to the Commission all bills, allowances, and payrolls, including claims due contractors of public works; recommend to the Commission compensation of the employees of his or her office, and a scale of compensation to be paid for the different classes of service required by the District; hire and discharge employees under his or her direction; and perform such other duties as may be imposed upon the General Manager / CEO by resolution of the Commission.
- D The General Manager / CEO is authorized to establish all further policies, make all decisions, take all actions, establish all practices, and develop all activities to achieve the goals set forth by the Commission for the District.
- E The Commission shall develop policies that define the delegation to the General Manager / CEO with regard to the General Manager / CEO's authority.
- F The General Manager / CEO must bring to the Commission's attention circumstances that affect the goals established by the Commission and may request the Commission to take appropriate actions.

- G The Commission may change its delegation to the General Manager / CEO at any time, thereby expanding or limiting the authority of the General Manager / CEO. Whenever a particular delegation is in place, the Commission will abide by the General Manager / CEO's decisions in those areas that are delegated to him or her.

29 **Budget & Procurement Authority**

- A The Commission, by resolution, shall approve the District's budget prior to the start of each fiscal year.
- B By resolution, the Commission shall set forth the authority of the General Manager / CEO to manage and expend District funds in accordance with financial policies and budgetary limits. Procurement of goods and services shall take place in accordance with applicable legal requirements in a fair, competitive and inclusive manner to maximize the benefit to the District's ratepayers/customers.
- C The General Manager / CEO shall establish procurement controls that provide reasonable assurance that the procurement of goods and services are made for a valid business purpose and within authorized budget levels.
- D It is District policy that all procurement decisions be made free from actual or perceived conflicts of interest consistent with the District's Code of Ethics.
- E It is District policy that due diligence and prudent judgment be exercised in the making of procurement decisions, including conducting a risk assessment. If the General Manager / CEO reasonably determines that a procurement activity presents, regardless of the size of the financial commitment, either (i) a unique and significant operational risk to the District; or (ii) a significant impact to customers, the General Manager / CEO shall inform the Commission.

30 **Financial Policies**

- A The Commission, by resolution, shall adopt financial policies that provide guidance to the General Manager / CEO and Chief Financial Officer in managing the finances of the District and in developing budgets, financial plans and rates. At a minimum, these policies shall 1) provide for sufficient liquidity relative to the District's risk profile, 2) provide for adequate coverage to meet debt covenants, 3) establish criteria for debt and rate - financed capital expenditures, 4) require that budgets be developed based on conservative and prudent assumptions consistent with standard industry practice, and 5) establish budgetary and procurement controls over expenditures.

31 **Amendment of These Rules**

- A These rules may be amended or new rules adopted by a majority vote of the whole Commission, provided that the proposed amendments or new rules have been introduced into the record at a prior Commission meeting.



GOVERNANCE POLICY

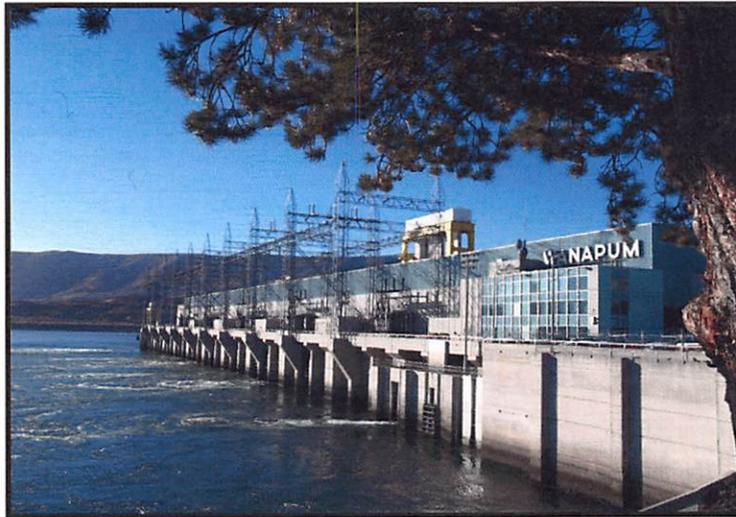


Exhibit A
Resolution No. 9013
April 11, 2023

- Revised - Resolution No. 8991
- Revised - Resolution No. 8402
- Revised - Resolution No. 8517
- Revised - Resolution No. 8708
- Revised - Resolution No. 8815
- Revised - Resolution No. 8918
- Revised - Resolution No. 8963
- Revised - Resolution No. 8982

Table of Contents

<u>Policy</u>	<u>Title</u>	<u>Page</u>
1	Purpose of the Commission	1
2	Governance Focus.....	1
3	Commission Member Job Description	2
4	General Meeting Rules	3
5	Presiding Officer	4
6	Commission Meeting Agenda.....	4
7	Motions	5
8	Voting	5
9	Audience Participation (Addressing the Commission)	6
10	Filling Commission Vacancies.....	6
11	Executive Sessions	6
12	Criminal Convictions & Violations of the Code of Ethics	7
13	Preserving the Attorney Client Privilege.....	7
14	Good Faith Cooperation with Insurance Carrier	7
15	Ultra Vires Actions	7
16	Violations of Commission Rules of Proceedings.....	7
17	Role of Commission President.....	8
18	Role of the Commission Vice-President	8
19	Role of the Commission Secretary	9
20	Commission Members' Code of Conduct	9
21	Board Training, Orientation	11
22	Commission Review of District Public Records	12
23	Commission Committees	12
24	Unity of Control	13
25	Commission-General Manager / CEO Relationship.....	13
26	Commission-General Counsel / CLO Relationship.....	14
27	Commission Relationship w/ Auditor and Treasurer	15
28	Delegation to the General Manager / CEO	16
29	Budget & Procurement Authority	17
30	Financial Policies	17
31	Amendment of These Rules	17

1 Purpose of the Commission

- A The ~~District~~ Commission is the legislative body of Public Utility District No. 2 of Grant County, Washington (~~the "District"~~) pursuant to the Public Utility District Act, RCW Title 54, and all other applicable statutes and laws. The powers of the District are exercised through a five-member Commission pursuant to RCW 54.12.010.
- B The purpose and responsibility of ~~Grant County PUD's~~ Grant County PUD's Commission, on behalf of the customers of Grant County, is to provide oversight and democratic decisions that enable ~~Grant County PUD~~ Grant County PUD ~~the District~~ Grant County PUD to fulfill its mission of generating and delivering power and other services to its customers in a cost-effective and efficient manner.
- C Accordingly, the Commission will:
1. Identify and define the purpose, values, vision, and strategic direction of the District, along with the results the District is to achieve, and communicate them in the form of policy.
 2. Identify and define those results or conditions of the District that are acceptable and not acceptable to the Commission and communicate them in the form of policy.
 3. Make operational decisions designated by statute.
 4. Hire, evaluate, and terminate the General Manager / CEO.
 - ~~5. Appoint or remove the General Counsel/CLO. Hire, evaluate, and terminate the General Counsel / CLO.~~
 - ~~6.~~ 5. Appoint or remove the Treasurer.
 - ~~7.~~ 6. Appoint or remove the Auditor.
 - ~~8.~~ 7. Review and approve the budget in a timely manner.

2 Governance Focus

- A The Commission will govern with an emphasis on:
1. Strategic leadership.
 2. Encouragement of diversity in viewpoints.
 3. Clear distinction of Commission and General Manager / CEO roles.
 4. Collaborative rather than individual decisions.
 5. The future and present.
 6. Being proactive rather than reactive.
- B Specifically:
1. The Commission is responsible for excellence in governing.
 2. The Commission will direct, evaluate and inspire the organization through the careful establishment of written policies reflecting the Commission's values and vision.

3. The Commission's major policy focus will be on Grant County PUD's the District's Grant County PUD's long-term impacts outside the organization, not on the administrative or programmatic means of achieving those effects. The Commission relies upon the expertise and diversity of its individual members to enhance the ability of the Commission as a body.
4. The Commission will establish and adhere to the standards needed to govern with excellence. Standards will apply to matters such as attendance at meetings, preparation for meetings, policymaking principles and codes of conduct.

3 Commission Member Job Description

- A The specific duties of the Commissioners as elected representatives are to ensure appropriate organizational performance.
- B Specifically, Commissioners will:
1. Regularly attend Commission meetings and workshops.
 2. Adopt the District's Strategic Plan, review it annually and make appropriate revisions.
 3. Adopt the District's budget on an annual basis.
 4. Set the rates, rules and regulations for services and commodities provided by the District.
 5. Enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policymaking principles, respect of roles, and ensuring the continuance of governance capability.
 6. Promote continual Commission development which will include orientation of new Commission members in the Commission's governance process and periodic Commission discussion of process improvement to include periodic training and education.
 7. Monitor and discuss the Commission's process and performance semi-annually at Commission workshops. Self-monitoring will include comparison of Commission activity and discipline to policies in the governance process. The Commission will determine the appropriate manner of evaluation and feedback.
 8. Maintain written policies to ensure a high quality of governance and clear direction and roles in decision-making between the Commission and General Manager / CEO.
 9. Respect their individual fiduciary duties to protect and enhance the District as a customer-owned utility with due diligence using sound business judgment. In addition, a minimum of two (2) Commissioners will attend the Financial Advisory Committee (FAC) and work with staff on the financial management of the District.
 10. Hire the General Manager / CEO to handle the day-to-day operations of the District and fulfill the duties as outlined in RCW 54.16.100.

11. Evaluate and determine compensation for the General Manager / CEO ~~and General Counsel / Chief Legal Officer (Appointees)~~. The Commission's evaluation criteria will focus on the District's strategic objectives.
 - a) Complete written mid-year evaluation of Appointees General Manager / CEO. The Commission will communicate any additional goals or objectives at the time of subsequent evaluation. At this time, the Commission will also determine proper Appointee General Manager / CEO compensation for the following calendar year.
 - b) Complete verbal year-end evaluation of Appointees General Manager / CEO. The Commission will communicate any new goals or objectives during the subsequent evaluation.
12. Develop and use outreach mechanisms to ensure the Commission hears the strategic viewpoints and values of its customer/owners, the community and other interested stakeholders. Community relations shall be an ongoing activity for all Commission members.
13. Take such other actions as may be required by law.

4 General Meeting Rules

- A The Commission may excuse an absent member by a majority vote. The Clerk of the Board will note in the minutes whether the member's absence was excused or un-excused. If a Commissioner anticipates an extended period of nonattendance in excess of 45 days, or is absent for a period of time in excess of 45 days, the Commission may excuse the absence by a majority vote in order to protect the Commissioner's position under RCW 54.12.010 prior to the 59th day of nonattendance. The Clerk of the Board shall note in the minutes whether the member's absence is excused or un-excused for the period.
- B Journal of Proceeding: A journal of all proceedings (minutes) of the Commission, except executive sessions, shall be kept in hardcopy and electronic form by the Clerk of the Board or their designee constituting the official record of the Commission. All Commission meetings and workshops held in the Ephrata Commission room, except executive sessions, shall be audio recorded, unless prevented by technical difficulties, and retained in accordance with State retention guidelines.
- C Right of Floor: Any members desiring to speak shall first be recognized by the Chair.
- D Decorum: All members, employees, and members of the public shall preserve order, decency and decorum at all times while the Commission is in session. No member shall, by conversation or otherwise, delay or interrupt the proceedings or the peace of the Commission, nor disturb any member who is speaking. No member shall refuse to obey an order of the Chair. Members shall confine their remarks to the subject under consideration. Discussion shall relate to the subject under consideration and shall be relevant and pertinent thereto so as to provide for the expeditious disposition and resolution of the District's business. No member shall use any impertinent, degrading or slanderous language as to any

other member, staff, or public. There shall be no lectures, speeches or grandstanding.

- E Audio/Video Area: All audio or video taping by the public and/or press shall be done from the back of the meeting room.

5 Presiding Officer

- A **President:** The President shall preside at meetings of the Commission, and be recognized as the head of the Commission for all ceremonial purposes. In case of the President's absence or temporary disability, the Vice-President shall act as President during the continuance of the absence. The President is referred to as the "Chair" or "Presiding Officer" from time-to-time in this Governance Policy.
- B **Call to Order:** The meetings of the Commission shall be called to order at the appointed time by the President or, in his absence, by the Vice-President. In the absence of both the President and Vice-President, the meeting shall be called to order by the Secretary.
- C **Preservation of Order:** The President shall preserve order and decorum; prevent attacks on personalities or the impugning of member's or public motives and confine members or public in debate to the question under discussion.
- D **Points of Order:** The President shall determine all points of order, subject to the right of any member to appeal to the Commission. If any appeal is taken, the question shall be "Shall the decision of the President be sustained?"
- E **Questions to be stated:** The President shall state all questions submitted for a vote and announce the results. A roll call shall be taken upon request of any member.
- F **President-Voting Powers:** The President shall vote on motions or other matters to be decided by the Commission unless he or she has abstained from discussion or debate and voting on an agenda item due to an announced conflict of interest.

6 Commission Meeting Agenda

- A The General Manager / CEO shall arrange a list of proposed matters according to the order of business and prepare an agenda for the Commission. A copy of the agenda and supporting materials shall be prepared for Commission members, the General Manager / CEO, and the press on or before the close of business on the Thursday before the regular Commission meeting.
- B The Consent Agenda may contain items which are of a routine and ~~non-~~**non-controversial** nature and may include, but are not limited to the following: meeting minutes, vouchers, travel, and trade association appointments. Any item on the Consent Agenda may be removed and considered separately as an agenda item at the request of any Commission member or any person attending a Commission meeting.

- C Members of the Commission, General Manager / CEO, or designee, will have the opportunity to discuss/recommend business or other matters for placement on future agendas. In addition, at each regular Commission meeting, time will be allowed for any Commission member, the General Manager / CEO, or designee to bring before the Commission any business that should be discussed or deliberated upon.
- D In the event of a natural disaster, attack or notice of imminent attack, where it becomes imprudent, inexpedient or impossible to conduct the affairs of the District at the regular or usual place, the Commission may meet at any place within or without its territorial limits on the call of the presiding President or any three members of the Commission. After any emergency relocation, the affairs of the District shall be conducted at such emergency temporary location for the duration of the emergency (RCW 42.14.075).

7 Motions

- A Members who wish to make a motion must first be recognized by the Presiding Officer. After the member makes a motion (and after the motion is seconded if required), the chair must restate it or rule it out of order, then call for discussion.
- B Most motions require a second, although there are some exceptions: nominations, points of order, and requests to remove an item from the consent agenda. The Presiding Officer will state the motion and call for the vote.
- C Motions for reconsideration must be made by a member from the prevailing side; any member may make the second. The following rules apply to motions for reconsideration: Motion must be in a timely manner but in no instance more than six (6) months after the original action. When (6) months have elapsed, any member may bring the item before the Commission.

8 Voting

- A The votes during all meetings of the Commission shall be transacted as follows:
 - 1. Unless otherwise provided for by statute, ordinance, or resolution, all votes shall be taken by voice, except that at the request of any Commission member, the Presiding Officer shall take roll call vote. The Presiding officer shall determine the order of the roll call vote.
 - 2. The passage of any motion or resolution shall require a majority vote of the whole Commission.
 - 3. Commission members shall vote on all matters before the Commission unless a statutory conflict of interest exists. If there is a conflict of interest, that Commission member shall state the conflict of interest and abstain from discussion and from voting on that matter.
 - 4. If any Commission member refuses to vote "aye" or "nay", their vote shall be counted as an "aye" vote unless the Commissioner provides a reason to abstain.

9 Audience Participation (Addressing the Commission)

- A **Agenda Items:** Anyone desiring to speak to the Commission on an agenda item must sign the meeting register and indicate their desire to speak to the Presiding Officer at the beginning of the meeting unless otherwise recognized by the chair. This will generally take place during the public comment period of the meeting.
- B **Non-Agenda Items:** Anyone desiring to speak to the Commission on a non-agenda item shall sign the meeting register and indicate their desire to speak to the Chair at the beginning of the meeting. The Presiding Officer, at his or her discretion, may permit such persons to address the Commission and has the authority to limit the time for comment to three (3) minutes unless a longer period of time was either pre-arranged with the Clerk of the Board and/or is allowed by the Board President.
- C **Manner of Addressing the Commission:** Each person addressing the Commission shall step up to the microphone, give his/her name, address and city of residence and subject matter of comments in an audible tone of voice for the record. All comments shall be made to the entire Commission and not to any single member nor to staff. Any questions for Commission members or staff shall be presented through the Presiding Officer. The Commission will determine the disposition of any issues raised (e.g., placed on the present agenda, workshop, other agendas, refers to staff, or do not consider).
- D **Conduct of Audience:** All audience members shall abide by the rules of decorum contained in Section 4, General Meeting Rules, paragraph "D" entitled "Decorum". No audience member shall disrupt the conduct of the meeting or cheer, hoot, holler, gesture, whistle, guffaw, jeer, boo, hiss, make remarks out of turn, use profanity, or the like. Any audience member who does so shall be determined out of order and the Presiding Officer may have such person removed from the Commission chambers immediately. Such person shall not be permitted to attend the remainder of that Commission meeting.

10 Filling Commission Vacancies

- A **Notice of Vacancy.** If a Commission vacancy occurs, the Commission will follow the procedures outlined in RCW 42.12.070. In order to fill the vacancy with the most qualified person available until an election is held, the Commission will widely distribute and publish a notice of vacancy and the procedure and deadline for applying for the position.
- B **Letters of Interest.** The Commission will announce the vacancy and will accept letters of interest from any interested person for no less than 30 days from the time of official public announcement. The Commission will review the letters of interest and/or interview the applicants. The Commission will select and appoint a qualified person to the vacant Commission seat.

11 Executive Sessions

- A If the Commission convenes an executive session to discuss what is permitted by law, there is no valid reason to disclose publicly what was discussed and reviewed

privately. Everything which is discussed during an executive session, and all written materials that are reviewed during an executive session, shall be considered confidential and no Commission member shall publicly disclose any such information. The Commission finds that disclosing publicly what was discussed and reviewed during an executive session undermines the whole purpose of meeting in executive session. Public disclosure may be made in the event a majority of the Commission members vote to approve the public disclosure prior to its disclosure. Any request for such a vote shall be first raised during an executive session for discussion purposes prior to a vote in open session. The CEO & CLO or their designee shall be in attendance of all Executive Sessions with the following exceptions, a Commission only Executive Session or a one on one with the CEO.

Formatted: Indent: Hanging: 0.5"

12 Criminal Convictions & Violations of the Code of Ethics

- A No Commission member shall serve on the Commission after having been convicted of any criminal violation of Chapter 42.23 RCW (as now enacted or hereafter amended) or any felony or malfeasance in office RCW 9.92.120 (as now enacted or hereafter amended). No Commission member shall serve on the Commission after having violated any of the provisions of Chapter 42.23 RCW (as now enacted or hereafter amended). No Commission member shall serve on the Commission after having been convicted of any offense involving a violation of his or her official oath RCW 42.12.010(5) (as now enacted or hereafter amended).

13 Preserving the Attorney Client Privilege

- A No Commission member shall make any disclosures or release any information which would result in the waiver of the attorney/client privilege without first obtaining the approval of a majority of the Commission in open session. Such a request for disclosure shall first be raised during an executive session for discussion prior to a vote in open session.

14 Good Faith Cooperation with Insurance Carrier

- A All Commission members shall cooperate in good faith with any insurance carrier or attorney representing the District in connection with a defense provided by an insurance carrier.

15 Ultra Vires Actions

- A Commission members shall not act ultra vires, or outside the scope of their authority and duties as Commission members.

16 Violations of Commission Rules of Proceedings

- A These Rules of Procedure/ Proceedings are adopted with the intent that they be fully enforceable and that violations thereof result in Commission action against members as provided herein and pursuant to RCW Title 54 and Title 42.23, as now enacted or hereafter amended. Any violation of these Rules of Procedure/ Proceedings is deemed to constitute disorderly conduct by such member.
- B Any claim of violation of the Governance Policy must be made in writing by a Commission member and filed with the President and made a part of the minutes of the Commission meeting where the charge is first considered.

- C Members violating any other Rules of Procedure shall be subject to admonition for the first violation of a particular rule and reprimanded for subsequent violations.
- D **Admonition:** An admonition shall be verbal vote in open session, recorded in the minutes, made by the Commission to the member.
- E **Reprimand:** A reprimand shall be administered to the member by letter. The letter shall be prepared by the Commission after action in open session to approve such letter. If the member objects to the contents of such letter, he/she may file a request for review of the content of the letter of reprimand with the Commission. The Commission shall review the letter of reprimand based upon the request for review and any record established, and may take whatever action appears appropriate under the circumstances.

17 **Role of Commission President**

- A The President of the Commission shall:
 1. Ensure that the Commission jointly and consistently adheres to its own rules and policies, and those imposed upon it by the laws of the State of Washington.
 2. Preside over and facilitate Commission meetings.
 3. Ensure that deliberation is fair, open and thorough, but also timely, orderly and kept to the point.
 4. Preside over and facilitate all Commission meetings in accordance with this Governance Policy, if not otherwise addressed here, the most current version of and Roberts Rules of Order, as needed.
 5. Schedule and coordinate the semi-annual process of evaluating the General Manager / CEO.
 - ~~6. Schedule and coordinate the semi-annual process of evaluating the General Counsel /CLO.~~
 - ~~7.6.~~ Have no authority to supervise or administratively direct the General Manager / CEO, apart from authority expressly granted the President by the Commission.
 - ~~8.7.~~ Assume responsibility of the Commission that is not specifically assigned to another Commission member.
 - ~~9.8.~~ Be allowed to delegate his or her authority, but remains accountable for its use.
 - ~~10.9.~~ Call Special Meetings of the Commission in the event of a business need as provided for in RCW 42.30.080.

18 **Role of the Commission Vice-President**

- A The Vice-President of the Commission shall:
 1. Perform such duties as are assigned by the President.

2. Have all the power and duties of the President in the absence or inability of the President to act.
3. Have all the powers and duties of the Secretary in the absence or inability of the Secretary to act, when not acting as the President.

19 Role of the Commission Secretary

A The Secretary of the Commission shall:

1. Where appropriate, attest instruments and documents duly authorized by the Commission.
2. Perform all duties incident to the office of Secretary as may from time to time be required by law or assigned to such office by motion, rule or resolution of the Commission. These duties include defining action items and items for follow-up.
3. Have all the powers and duties of the President in the absence or inability of both the President and the Vice-President to act.

20 Commission Members' Code of Conduct

A Commission members shall conduct themselves in accordance with all laws. The State of Washington has adopted a "Code of Ethics" that applies to all municipal officers, codified under RCW 42.23. The declared purpose of the Code of Ethics is to make uniform the laws of the State concerning the transaction of business by municipal officers in conflict with the proper performance of their duties in the public interest, and to promote the efficiency of local government by prohibiting certain instances and areas of conflict while at the same time sanctioning, under sufficient controls, certain other instances and areas of conflict.

B Specifically:

1. Commission members are strictly prohibited by law from entering into or engaging in any activity defined by RCW 42.23 as a conflict of interest with their official duties as a Grant County PUD Commissioner.
2. On an annual basis and in a public forum, each Commissioner shall acknowledge their obligation to disclose any conflicts of interest as defined in RCW 42.23.
3. On a case by case basis, each Commission member will disclose to the other Commission members, in a public forum, any remote conflicts of interest as defined under RCW 42.23. Disclosure will be noted in the District's official minutes which are public record. A Commissioner with such remote interest will not participate in any discussion and/or debate concerning such interest, will not vote on the matter, and will do nothing to influence any other Commissioner concerning their decision on the matter.
4. Commission members will adhere to the Grant County PUD Code of Ethics adopted by the Commission, and shall conduct themselves with civility and respect at all times with one another, with staff, and with members of the public.

5. Commission members will adhere to the Grant County PUD policy on appropriate use of District resources.
6. Commission members will become familiar with their individual and joint obligations pertaining to the District's directive on reporting alleged improper governmental action, including actions required of the Commission regarding employee complaints of alleged improper governmental actions and/or employee claims of retaliation for reporting alleged improper governmental actions.
7. Commission members understand that all letters, memoranda and/or interactive computer or electronic information (including e-mail), the subject of which relates to the conduct of the District or the performance of any District function, are public records and may also be subject to disclosure under the Washington Public Records Act. Upon request, any such public records shall be provided to the Public Records Officer for inclusion in the District's records management program.
8. Commission members shall demonstrate loyalty to the interests of Grant County PUD's owners/ratepayers. This loyalty supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other Boards or staffs. It also supersedes the personal interest of any Commission member acting as a consumer of the District's activities.
9. Commission members may not attempt to exercise individual authority over Grant County PUD except as explicitly set forth and authorized in Commission policies.
 - a) Commission members recognize the lack of authority vested in them as individuals in their interactions with the General Manager / CEO and with staff, except where explicitly authorized by the Commission.
 - b) In interactions with the public, press or other entities, Commission members must recognize the same limitation and the inability of any Commission member to speak for the Commission except to repeat explicitly stated and adopted Commission decisions.
 - c) Commission members shall not lead the public or media to have the impression that the General Manager / CEO, ~~General Counsel / CLO,~~ Auditor, or Treasurer is out of compliance with policies absent a determination of non-compliance by the Commission.
10. In accordance with Washington's Open Public Meetings Act, Commission members:
 - a) Shall not meet as a quorum outside of Commission-called public meetings to hold discussions or make decisions as defined in RCW 42.30, regarding the business of the District.
 - b) Shall not meet as a quorum with staff outside of a Commission-called public meeting for the purpose of gathering information.
 - c) Understand that the requirements of the Washington Open Public Meetings Act applies to communications via telephone, e-mail, instant messaging or other forms of electronic communications. Any

exchange of communication between more than two Commission members may constitute an official meeting of the Commission and be in violation of the Act.

d) Commission members may send information to other members of the Commission on an informational basis; however, replies and/or exchanges of communications with more than one Commissioner regarding District business must not occur outside of an official public meeting of the Commission. Any such e-mail sent for informational purposes as described above, by any member of the Commission, shall be sent individually, not as group e-mail. Commissioners will not "reply" to any e-mail received by all other members of the Commission.

e) Commission members may not evade the requirements of the Open Public Meetings Act through use of "serial meetings", that is a series of smaller gatherings or use of a go-between such that the majority of Commissioners are not together but through the collection of other interactions the majority intend to take action. ~~This includes but is not limited to: a series of telephone calls, multiple meetings between different groups of two Commissioners and e-mail communications between multiple Commissioners for the purpose of coordinating a decision.~~

11. Members will respect the confidentiality appropriate to issues regarding personnel, real estate transactions, proprietary matters, and attorney-client privileged communications, including those requirements listed under RCW 42.30.110, Executive Sessions and including any other confidential information gained by reason of the Commissioner's position.

21 Board Training, Orientation

A The Commission shall ensure that its skills are sufficient to assure excellence in governance of Grant County PUD.

B Specifically:

1. New Commission members shall receive training and orientation in Commission governance, policies and procedures.
2. New Commission members shall receive an orientation on the District's Strategic Plan.
3. New Commission members shall receive other general orientation in the organization and operation of the District by the General Manager / CEO and/or his designate.
4. Commission members shall receive training in the skills of effective communication and decision-making.
5. The Commission President shall receive training in the facilitation of public meetings.

22 Commission Review of District Public Records

- A Grant County PUD has a duty to comply with appropriate public records requests as prescribed in the Washington Public Records Act. Commissioners do not give up their status as members of the public and therefore can request such information.
- B Because of the special status conferred upon the Commissioners as elected representatives, each Commissioner agrees that:
 - 1. Commission member requests to inspect District documents that do not meet the criteria of a "public record" under RCW 42.56 and/or which may be confidential in nature, shall be forwarded directly to the General Manager / CEO, who will provide the requested files, as allowed by law, for review on District premises.
 - 2. No confidential or original documents shall be taken from District premises except with the authorization of the Commission or General Manager / CEO.
 - 3. Commission members shall adhere to the same confidentiality requirements applicable to employees when dealing with the District's records and other documents.
 - 4. District employee personnel files will not be subject to Commission review pursuant to the District's policies relating to employee records confidentiality and access except this limitation shall not apply to Commission appointees.
 - 5. Access to District public records may be achieved by making a verbal or written request to the General Manager / CEO or General Counsel / CLO or Clerk of the Board. The requested material will be provided to all five board members.

23 Commission Committees

- A The Commission may establish ad hoc advisory and standing committees.
- B The Commission will review the committees at least annually to determine whether they should continue.
- C Specifically:
 - 1. Committees will ordinarily assist the Commission by gaining education, considering alternatives and implications, and preparing policy alternatives.
 - 2. Commission committees may not speak or act for the Commission, except when formally given such authority for specific and time-limited purposes.
 - 3. Commission committees cannot exercise authority over staff nor interfere with the delegation from the Commission to the General Manager / CEO.
 - 4. Participation in committee meetings shall be in compliance with the provisions of the Open Public Meetings Act, in that if three or more

Commission members are present, then the meeting must be properly noticed as a public meeting.

5. This policy applies to any group which is formed by Commission action, whether or not it is called a committee. It does not apply to committees formed under the authority of the General Manager / CEO.

24 Unity of Control

- A Only decisions of the Commission acting as a body are binding upon the General Manager / CEO, ~~the General Counsel / CLO~~ the General Counsel / CLO, the Auditor, or Treasurer.
- B Specifically, in or out of Commission Meetings:
 1. Decisions or instructions of individual Commission members are not binding on the General Manager / CEO, ~~General Counsel / CLO~~ General Counsel / CLO, the Auditor, or Treasurer except in instances when the Commission has specifically authorized such exercise of authority.
 2. In the case of Commission members requesting information or assistance without Commission authorization, the General Manager / CEO, ~~General Counsel / CLO~~ General Counsel / CLO, the Auditor, or Treasurer must refuse such requests that require, in their opinion, a material amount of staff time or funds, are disruptive to the District, or which may involve a conflict of interest between the District and the Commissioner requesting the information or assistance.
 3. Commission members individually may communicate directly with District employees or contractors. However, the Commission as a body and the Commission members will never give direction to persons who report directly or indirectly to the General Manager / CEO, with the exception of the ~~General Counsel / CLO~~ General Counsel / CLO, Auditor, ~~and the~~ Treasurer. If individual Commission members are dissatisfied with the response they receive, they may seek resolution through the Commission.
 4. The Commission as a body and the Commission members will refrain from evaluating, either formally or informally, the job performance of any District employee other than the General Manager, ~~/ CEO and General Counsel / CLO.~~

25 Commission-General Manager / CEO Relationship

- A The Commission governs Grant County PUD and is the policy-making body of the District. The Commission operates under the provisions of the Revised Code of Washington, Title 54, Title 42 in part, and all other applicable statutes and laws.
- B The Commission is responsible for the following:
 1. Identifying and defining the purpose, values and vision of the District, along with the results that the District is to achieve, and communicating them in the form of policy.
 2. Making certain operational decisions as designated by law.
 3. Hiring, evaluating, and terminating the General Manager / CEO.

- C The General Manager / CEO is responsible for the following:
1. All operations of the District as well as the business affairs of the District.
 2. Achieving the results established by the Commission within the appropriate and ethical standards of business conduct set by the Commission.
 3. Enforcing District resolutions, administering directives, staff policies and procedures, hiring and terminating all employees except for the Auditor and Treasurer, attending meetings of the Commission and reporting on the general affairs of the District, and keeping the Commission advised as to the current and future business needs of the District.
 4. Appointing a person to serve as the District's Chief Financial Officer. This will be a person with sufficient education and experience to fulfill the duties of the position. Together with the ~~chief~~ Chief Financial Officer, the General Manager / CEO shall ensure that, to the best of their knowledge and belief, financial reports are complete and reliable in all material respects.
 5. Ensuring the smooth continuous operation of the District in the event of the planned or unplanned absence of the General Manager / CEO.
 6. Interacting with the public and other utilities and government agencies, pursuant to policies and direction adopted by the Commission.
 7. At the direction and oversight of the Commission, the General Manager / CEO and Chief Financial Officer, or their designees, shall jointly serve as the chief liaison with all external audit agencies, shall coordinate the proper independent audit of annual financial statements, and shall ensure that the results and findings of such audits are reported to the Commission. In acting in this capacity, the General Manager / CEO does not relieve the Commission of its oversight responsibility.
 8. Perform other responsibilities as may be appropriately delegated by the Commission.

26 Commission-General Counsel / CLO Relationship

- A The General Counsel / CLO provides legal counsel to the District and to the Commission. The General Counsel / CLO reports ~~both to the Commission and to the General Manager / CEO~~ for all administrative matters, including hiring, performance evaluations, salary administration, employee benefits, and terminations.
- ~~B The Commission is responsible for hiring and terminating the General Counsel / CLO.~~
- ~~C The General Counsel / CLO shall advise the Commissioners regarding potential conflict of interest issues or ethical matters. General Counsel shall provide assistance to individual Commissioners in complying with applicable statutes and laws only when such advice does not conflict with the General Counsel's obligations to the District or to specific direction of the Commission.~~
- ~~D The Commission is responsible for evaluating the General Counsel's / CLO's performance. The Commission shall solicit the General Manager / CEO's input in evaluating the performance of the General Counsel.~~

EB With respect to the Commission, the General Counsel / CLO shall:

1. Give his or her advice or opinion whenever he or she deems it necessary or when required by the Commission.
2. Inform the Commission of material legal issues impacting the District or the Commission.
3. ~~When necessary, act independently of the General Manager / CEO.~~
- 4.3. Provide counsel to the Commission and individual Commission members with regard to conflict of interest issues.
- 5.4. Provide counsel to the Commission and individual Commission members with regard to other ethical matters.
5. Assist the Commission and individual Commission members in complying with and interpretation of applicable statutes, laws, and regulations.
6. General Counsel shall provide such counsel and assistance only when such advice does not conflict with the General Counsel's obligations to the District or to the specific direction of the Commission.
7. The General Counsel / CLO shall not provide legal counsel to Commission members except as it relates to their role as Grant County PUD Commission members.

27 Commission Relationship w/ Auditor and Treasurer

- A The District Auditor (Auditor) and District Treasurer (Treasurer) serve in the capacity set forth by Title 54 of the Revised Code of Washington.
- B The Commission is responsible for appointing or removing the Auditor and the Treasurer. The Commission, by resolution, shall designate an Auditor and this person shall be a District employee other than the General Manager / CEO or Treasurer. The Commission, by resolution, shall designate a person other than the County Treasurer to be District Treasurer and this person shall be a District employee other than the General Manager / CEO or Auditor. The Auditor and Treasurer shall perform those duties specified by RCW 54.24.010 and shall be granted direct access to the Commission at the request of the Auditor, Treasurer or Commission, but not less than quarterly in the performance of these duties.
- C The Auditor shall report to the General Counsel/CLO~~Chief Legal Officer~~ for all administrative matters, including hiring, performance evaluations, salary administration, employee benefits, and terminations. The Treasurer shall report to the Chief Financial Officer for all administrative matters, including hiring, performance evaluations, salary administration, employee benefits, and terminations.
- D The Treasurer or Deputy Treasurer shall provide quarterly reports to the Commission summarizing cash and investment activity, and provide other reports to the Commission as necessary related to the duties of the Treasurer or as requested by the Commission.
- E The Auditor or Deputy Auditor shall issue warrants for claims against the District. As soon as practical after issuance of such warrants, the Auditor shall provide a list of all warrants issued, and shall certify to the Commission that such

disbursements satisfy just, due and unpaid obligations of the District, in a manner specified by the State Auditor.

- F If the Commission disapproves a paid claim on the District, the Auditor will request the Treasurer to recognize the claim as a receivable. The Treasurer and Auditor will pursue collection.
- G The Auditor shall develop an annual audit plan, and conduct audits contained within the plan or other audits as may be requested by the Commission. The Auditor shall report to the Commission on the progress and results of such audits at least semi-annually. The Auditor, in the performance of his or her duties, shall have unlimited access to all activities, records, property and personnel of the District.

28 Delegation to the General Manager / CEO

- A In accordance with RCW 54.16.100, the General Manager / CEO is the chief administrative officer of the District, in control of all administrative functions and shall be responsible to the Commission for the efficient administration of the affairs of the District placed in his or her charge. In the absence or temporary disability of the General Manager / CEO, the General Manager / CEO shall, with the approval of the President of the Commission, designate some competent person as Acting Manager.
- B The General Manager / CEO may attend all meetings of the Commission and its committees, and take part in the discussion of any matters pertaining to the duties of his or her department, but shall have no vote.
- C The General Manager / CEO shall carry out the orders of the Commission, and see that the laws pertaining to matters within the functions of his or her department are enforced; keep the Commission fully advised as to the financial condition and needs of the ~~districts~~District; prepare an annual estimate for the ensuing fiscal year of the probable expenses of the department, and recommend to the ~~commission~~Commission what development work should be undertaken, and what extensions and additions, if any, should be made during the ensuing fiscal year, with an estimate of the costs of the development work, extensions, and additions; certify to the Commission all bills, allowances, and payrolls, including claims due contractors of public works; recommend to the Commission compensation of the employees of his or her office, and a scale of compensation to be paid for the different classes of service required by the ~~D~~district; hire and discharge employees under his or her direction; and perform such other duties as may be imposed upon the ~~manager~~General Manager / CEO by resolution of the Commission.
- D The General Manager / CEO is authorized to establish all further policies, make all decisions, take all actions, establish all practices, and develop all activities to achieve the goals set forth by the Commission for the District.
- E The Commission shall develop policies that define the delegation to the General Manager / CEO with regard to the General Manager / CEO's authority.
- F The General Manager / CEO must bring to the Commission's attention circumstances that affect the goals established by the Commission and may request the Commission to take appropriate actions.

- G The Commission may change its delegation to the General Manager / CEO at any time, thereby expanding or limiting the authority of the General Manager / CEO. Whenever a particular delegation is in place, the Commission will abide by the General Manager / CEO's decisions in those areas that are delegated to him or her.

29 Budget & Procurement Authority

- A The Commission, by resolution, shall approve the District's budget prior to the start of each fiscal year.
- B By resolution, the Commission shall set forth the authority of the General Manager / CEO to manage and expend District funds in accordance with financial policies and budgetary limits. Procurement of goods and services shall take place in accordance with applicable legal requirements in a fair, competitive and inclusive manner to maximize the benefit to the District's ratepayers/customers.
- C The General Manager / CEO shall establish procurement controls that provide reasonable assurance that the procurement of goods and services are made for a valid business purpose and within authorized budget levels.
- D It is District policy that all procurement decisions be made free from actual or perceived conflicts of interest consistent with the District's Code of Ethics.
- E It is District policy that due diligence and prudent judgment be exercised in the making of procurement decisions, including conducting a risk assessment. If the General Manager / CEO reasonably determines that a procurement activity presents, regardless of the size of the financial commitment, either (i) a unique and significant operational risk to the District; or (ii) a significant impact to customers, the General Manager / CEO shall inform the Commission.

30 Financial Policies

- A The Commission, by resolution, shall adopt financial policies that provide guidance to the General Manager / CEO and Chief Financial Officer in managing the finances of the District and in developing budgets, financial plans and rates. At a minimum, these policies shall 1) provide for sufficient liquidity relative to the District's risk profile, 2) provide for adequate coverage to meet debt covenants, 3) establish criteria for debt and rate - financed capital expenditures, 4) require that budgets be developed based on conservative and prudent assumptions consistent with standard industry practice, and 5) establish budgetary and procurement controls over expenditures.

31 Amendment of These Rules

- A These rules may be amended or new rules adopted by a majority vote of the whole Commission, provided that the proposed amendments or new rules have been introduced into the record at a prior Commission meeting.

For Commission Review – 08/27/2024

Motion authorizing the General Manager/CEO to execute Change Order No. 1 to Contract 430-11621 with Washington State Department of Fish and Wildlife, increasing the not-to-exceed contract amount by \$586,915.00 plus applicable sales tax for a one year duration to extend to December 31, 2025 to continue the monitoring and evaluation (M&E) of hatchery programs for a new contract total of \$1,705,561.00 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. 1.

xxxx

MEMORANDUM

July 22, 2024

TO: Rich Wallen, Chief Executive Officer/General Manager

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

FROM: Tom Dresser, Fish and Wildlife Manager
Deanne Pavlik-Kunkel, Fisheries Program Supervisor
Timothy Taylor, Lead Biologist

SUBJECT: Change Order – Wenatchee and Methow Basins Hatchery Programs Monitoring and Evaluation

Purpose: Request Commission approval of a single year \$586,915 Change Order (#430-11621-1) to continue the monitoring and evaluation (M&E) of hatchery programs in the Wenatchee and Methow River Basins by Washington Department of Fish and Wildlife (WDFW). The contract duration will extend to December 31, 2025.

Discussion: The Public Utility District No. 2 of Grant County, Washington (hereafter, ‘The District’) entered into the Priest Rapids Salmon and Steelhead Settlement Agreement (SSSA) with multiple parties in 2005 and 2006¹. In short, the SSSA included specific measures to protect, mitigate, and enhance populations of both non-ESA (Endangered Species Act) and ESA-listed salmon species that migrate through the Priest Rapids Project (i.e., Coho, Sockeye; fall, summer, and spring Chinook Salmon). The District was also issued a Biological Opinion (BiOp) for the Priest Rapids Project by the National Marine Fisheries Services (NMFS) in 2008. The BiOp included specific terms and conditions to mitigate for impacts to Upper Columbia River spring Chinook Salmon and Steelhead—both species are ESA-listed. The BiOp and SSSA were adopted into the District’s Federal Energy Regulatory Commission (FERC) License Order in April 2008.

A key requirement included in the above-mentioned regulations is the development and implementation of monitoring and evaluation (M&E) programs associated with each of the various hatchery programs that the District is required to implement. The current contract (#430-11621) covers many of the activities associated with the District’s hatchery programs located in the Wenatchee and Methow River Basins for non-ESA listed summer Chinook (both rivers), and ESA-listed spring Chinook Salmon (Nason Creek and the White River—tributaries of the Wenatchee River).

¹ Parties to the Priest Rapids Salmon and Settlement Agreement include the National Marine Fisheries Service, US Fish and Wildlife Service, Washington Department of Fish and Game, Confederated Tribes of the Colville Reservation, Yakama Nation, and the Public Utility District No. 2 of Grant County, Washington.

This contract is a Professional Services Contract (#430-11621) that is set to expire on December 31, 2024.

Justification: The District's FWWQ staff will conduct an RFP in fall 2024 pending the completion of the Priest Rapids Coordinating Committee Hatchery Subcommittee M&E Plan review process. The M&E Plan review will detail any changes to current implementation that may need to be included in the proposed RFP. Therefore, the main justification for this Change Order is to ensure PUD M&E obligations are covered by the current contractor during this transitional period.

The work conducted under the proposed contract covers a substantial portion of the District's hatchery mitigation M&E program requirements, obligated by FERC License order (Hatchery Genetic Management Plans), SSSA, and the BiOp. As discussed previously, M&E programs are a specific requirement of the District to operate the Priest Rapids Project, and these requirements are directed by the Priest Rapids Coordinating Committee Hatchery Subcommittee.

The consequence of not approving this Change Order is non-compliance with obligations under the FERC License Order, SSSA, and BiOp for the Priest Rapids Project because our M&E programs would not have a contractor in place to monitor the programs.

At this time, the District FWWQ staff does not have the biological staff or the expertise necessary to complete this work in-house. Additionally, since this work is M&E and directly related to the District's requirements, performing our own M&E activities could be perceived as a potential conflict of interest.

To control costs and seek out efficiencies, both the District and Chelan PUD submitted a joint request for proposals (RFP) for each PUD's hatchery M&E programs in the Wenatchee Basin in 2013. The primary goal of the RFP was to identify the most qualified and cost-effective organization capable of fulfilling both PUD's M&E obligations. After a formal review and interview period, it was determined that WDFW provided the most complete and cost-effective plan to meet the objectives of the District. District FWWQ staff maintain that WDFW remains the most cost-effective, qualified, and biologically prudent organization to fulfill contractual M&E obligations for the following reasons: a) overall M&E costs are split between both the District and Chelan PUD because WDFW is the contractor for both parties, b) efficiencies are realized by both parties in having the same entity perform the work within the same river basin, c) WDFW has the available biological staff with expertise in M&E, and d) FWWQ staff believes it meets the standard of care in M&E program requirements as defined within the SSSA (SSSA 2006, page 6).

Financial Considerations: The District's FWWQ staff went through a rigorous line-item review and negotiation process in an effort to hold costs in check and ensure that proposed tasks and the associated budget were tied to the District's M&E requirements and/or aligned with the District's long-term strategic goals related to hatchery M&E.

Labor and benefits typically account for the majority of the costs within an M&E contract. For example, labor and benefit costs for the current contract were approximately 67% of the total

budget. In an effort to keep labor increases in check, FWWQ staff reviews all line-item tasks to determine the “right-sized crews” necessary to perform the work.

It is difficult to hold salaries and benefits static from year to year, as up to 10, full-time staff working on the M&E projects are likely covered under the State of Washington and Washington Association of Fish and Wildlife Professionals Collective Bargaining Agreement (<https://ofm.wa.gov/state-human-resources/labor-relations/collective-bargaining-agreements/wafwp-washington-association-fish-and-wildlife-professionals-2019-21>).

Compared to the 2024 annual budget of the current contract (\$578,883), the proposed Change Order budget increased by \$8,032 (\$586,915). Organizational salary increases affected 8 distinct positions covered in this contract, but District FWWQ staff and WDFW were able to minimize the effect of those increases by negotiating staff hours needed per M&E task.

If approved by the Commission, the present contract would request an increase of the Not-To-Exceed (NTE) amount of \$1,705,560 for M&E work from 2023 to 2025 (1,095 days). This work was anticipated and included in the proposed 2025 budget under Cost Center 4220.

Contract Specifics: The proposed Change Order is a continuation of the work completed under contract #430-3797 which began in 2014. Five Change Orders were executed between 2015 to 2020 for the previous contract; the current contract (#430-11621) has no Change Orders to date.

The duration of the proposed Change Order does not exceed one year due to anticipated changes to District M&E programs resulting from the Priest Rapids Coordinating Committee Hatchery Subcommittee review this year. An RFP process will begin in fall 2024 in coordination with Chelan County PUD.

Legal Review: See attached e-mail.

Recommendation: Commission approval of a one-year \$586,915 Change Order (#430-11621-1) to continue hatchery program’s M&E in the Wenatchee and Methow River Basins by WDFW from January 1, 2025, to December 31, 2025.

From: [Deanne Pavlik-Kunkel](#)
To: [Ross Hendrick](#); [Jeff Grizzel](#); [Tim Taylor](#); [Tom Dresser](#)
Cc: [Shelli Tompkins](#)
Subject: RE: ACTION: REVIEW/RESPOND: Commission Memo for the WDFW Wenatchee & Methow River M&E Contract Change Order (430-11621, CO1)
Date: Wednesday, July 31, 2024 8:56:36 AM
Attachments: [image001.png](#)

Thanks everyone.

Shelli, I think that's all the approvals you needed. Please reach out if you need anything more from us.

Thanks so much,
Deanne

From: Ross Hendrick <Rhendr1@gcpud.org>
Sent: Wednesday, July 31, 2024 8:55 AM
To: Jeff Grizzel <jgrizzel@gcpud.org>; Tim Taylor <ttaylor@gcpud.org>; Deanne Pavlik-Kunkel <Dpavlikkunkel@gcpud.org>; Tom Dresser <TDresse@gcpud.org>
Cc: Shelli Tompkins <stompkins@gcpud.org>
Subject: RE: ACTION: REVIEW/RESPOND: Commission Memo for the WDFW Wenatchee & Methow River M&E Contract Change Order (430-11621, CO1)

Approved, thanks!

From: Jeff Grizzel <jgrizzel@gcpud.org>
Sent: Wednesday, July 31, 2024 8:49 AM
To: Tim Taylor <ttaylor@gcpud.org>; Ross Hendrick <Rhendr1@gcpud.org>; Deanne Pavlik-Kunkel <Dpavlikkunkel@gcpud.org>; Tom Dresser <TDresse@gcpud.org>
Cc: Shelli Tompkins <stompkins@gcpud.org>
Subject: Re: ACTION: REVIEW/RESPOND: Commission Memo for the WDFW Wenatchee & Methow River M&E Contract Change Order (430-11621, CO1)

Looks good Tim - thanks for making that change. I approve.

Jeff

From: Tim Taylor <ttaylor@gcpud.org>
Sent: Wednesday, July 31, 2024 7:02 AM
To: Jeff Grizzel <jgrizzel@gcpud.org>; Ross Hendrick <Rhendr1@gcpud.org>; Deanne Pavlik-Kunkel <Dpavlikkunkel@gcpud.org>; Tom Dresser <TDresse@gcpud.org>
Cc: Shelli Tompkins <stompkins@gcpud.org>
Subject: RE: ACTION: REVIEW/RESPOND: Commission Memo for the WDFW Wenatchee & Methow River M&E Contract Change Order (430-11621, CO1)

All,

I've moved the final paragraph of the **Justification** section to the first of that section to address both Ross and Jeff's recommendations.

Please see the attached draft with those changes.

-TNT

From: Jeff Grizzel <Jgrizzel@gcpud.org>
Sent: Tuesday, July 30, 2024 4:40 PM
To: Ross Hendrick <Rhendr1@gcpud.org>; Deanne Pavlik-Kunkel <Dpavlikkunkel@gcpud.org>; Tom Dresser <TDresse@gcpud.org>
Cc: Tim Taylor <ttaylor@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>
Subject: Re: ACTION: REVIEW/RESPOND: Commission Memo for the WDFW Wenatchee & Methow River M&E Contract Change Order (430-11621, CO1)

Deanne - this looks good. I agree with Ross' point - you might consider moving the "why" from near the end of the memo to closer to the beginning.

Jeff

From: Ross Hendrick <Rhendr1@gcpud.org>
Sent: Tuesday, July 30, 2024 8:30 AM
To: Deanne Pavlik-Kunkel <Dpavlikkunkel@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Tom Dresser <TDresse@gcpud.org>
Cc: Tim Taylor <ttaylor@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>
Subject: RE: ACTION: REVIEW/RESPOND: Commission Memo for the WDFW Wenatchee & Methow River M&E Contract Change Order (430-11621, CO1)

Hi Deanne, I'm good with the memo, but recommend you add a little more detail on the "why" after the first paragraph in the Justification section. As I read it, I kept wondering why a 1 yr CO was needed...until near the end of the memo. As I recall it has something to do with the PRCC process for determining future M&E goals/objectives, which will occur this year and/or next, and instead of issuing a new contract that may have its scope changed early next year, it is best to simply extend the existing? At any rate please add a few sentences behind the why and we should be good to go.

Thanks!

RH

From: Deanne Pavlik-Kunkel <Dpavlikkunkel@gcpud.org>
Sent: Thursday, July 25, 2024 10:21 AM
To: Ross Hendrick <Rhendr1@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Tom Dresser <TDresse@gcpud.org>
Cc: Tim Taylor <ttaylor@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>
Subject: ACTION: REVIEW/RESPOND: Commission Memo for the WDFW Wenatchee & Methow River M&E Contract Change Order (430-11621, CO1)

Action Required	<p>Please review the attached commission memo for the Wenatchee and Methow River M&E contract change order (430-11621 – CO1).</p> <p>Please reach out to Tom, Tim, or Deanne with questions.</p> <p>Please respond to all for approvals so Shelli can retain them for our records.</p> <p>Thanks so much.</p>
By when (date; time):	8/5/2024 Close of Business
Critical Info:	
Detailed Info (if needed):	
Links to docs (if needed):	

Deanne Pavlik-Kunkel

Fish & Wildlife Program Supervisor – Hatchery & Habitat

OFFICE 509-754-5088

EXT. 2154

CELL 509-951-7343

EMAIL dpavlikkunkel@gcpud.org



grantpud.org

CHANGE ORDER
NO. 1

Pursuant to Section 5, the following changes are hereby incorporated into this Contract:

A. Description of Change:

1. Increase the Contract Price
2. Extend the Contract completion date; and
3. Correct WDFW's original contract number (22-21028) with this Change Order No. 1.

B. Time of Completion: The revised completion date shall be December 31, 2025.

C. Contract Price Adjustment: As a result of this Change Order, the not to exceed Contract Price shall be increased by the sum of \$586,915.00, plus applicable sales tax, for the "Wenatchee and Methow River Basins 2025 Final Budget", attached hereto as Appendix "A". 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 \$1,705,561.00, including changes incorporated by this Change Order.

D. WDFW Contract Number: The contract number for Washington State Department of Fish and Wildlife No. 22-21028 on the District's Contract 430-11621, is hereby replaced with "WDFW No. 23-21028".

E. Except as specifically provided herein, all other Contract terms and conditions shall remain unchanged.

Public Utility District No. 2
of Grant County, Washington

Washington State Department of Fish and
Wildlife

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX “A”

Wenatchee and Methow River Basins 2025 Final Budget

Supplementation Research Team GCPUD M+E January 1, 2023 - December 31, 2023	
Component	Contract
Adult	\$204,150
Aquaculture	\$133,548
Juvenile	\$140,991
Data	\$61,073
Total M&E budget	\$539,762

Supplementation Research Team GCPUD M+E January 1, 2024 - December 31, 2024	
Component	Contract
Adult	\$233,763
Aquaculture	\$137,353
Juvenile	\$145,014
Data	\$62,753
Total M&E budget	\$578,883

Supplementation Research Team GCPUD M+E January 1, 2025 - December 31, 2025	
Component	Contract
Adult	\$222,970
Aquaculture	\$146,196
Juvenile	\$141,967
Data	\$75,782
Total M&E budget	\$586,915

*It is understood that WDFW’s indirect rate changes July 1 of each year based on rates approved by their cognitive agency (US Department of Interior). WDFW will apply the appropriate indirect rate that is in place at the time of expenditure. No additional funds will be added to the Contract and it will be WDFW’s responsibility to adjust the budget without reducing scope of work to be performed.



Change Order Table

Contract Title: Hatchery Programs M&E - Wenatchee and Methow River Basins

Contract No.	430-11621	Award Date:	11/8/2022
Project Manager:	Tim Taylor	Original Contract Amount:	\$1,118,646.00
District Representative (If Different):		Original Contract completion:	12/31/2024
Contractor:	WDFW		

CO#	Change Description	Approved by	Executed Date	Revised Completion Date	Cost Change Amount	Revised Contract Amount	Authority Level Tracking
1	Increase contract price and extend contract completion date.	Comm		12/31/25	\$586,915.00	\$1,705,561.00	\$586,915.00
Total Change Order Cost Change Amount					586,915.00		

For Commission Review – 09-10-2024

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute Contract 130-12168A and reset the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for Contract 130-12168A with Siemens Industry, Inc.

xxxx

MEMORANDUM

August 25, 2024

TO: Rich Wallen, General Manager/Chief Executive Officer

VIA: Jeff Grizzel, Chief Operating Officer
Ron Alexander, Director of Power Delivery

FROM: Jesus Lopez, Sr. Manager of Power Delivery Engineering

SUBJECT: Award of Contracts 130-12168A and 130-12168B Professional Services Agreement for Engineering Services

Purpose: To request Commission approval to award:

- Contract Document 130-12168A to Siemens to supply professional engineering services as needed for power system studies
- Contract Document 130-12168B to S&C Electric to supply professional engineering services as needed for power system studies.

Discussion: The District requires professional engineering services for power system studies that exceed available internal resource levels or expertise. To provide timely access to this service, these contracts are proposed to serve as “Master Service Agreements” (MSAs). Since a high volume of work is possible for this type of work, a primary and alternate service provider is recommended to minimize the District’s risk for circumstances that would prevent a single provider from completing tasks within the District’s requirements.

Each individual task will be authorized via a written scope of work. The service provider will not be authorized to begin work prior to the completion of a work scope document. There is no guarantee minimum amount of work.

Contractor Selection Process: To achieve the objectives described in the Discussion section above, District staff solicited proposals for Professional Engineering Services in accordance with Chapter 39.80 of the Revised Code of Washington (RCW). Unlike other types of contracts which are awarded to the lowest responsible bidder, RCW 39.80 requires Professional Engineering contracts to be awarded primarily based on qualifications and negotiated rates.

The advertised Request for Proposal (RFP 130-12168) returned a total of 11 responses from various engineering firms. A three-person committee with a representative from Power Delivery, Large Power Solutions, and Wholesale Marketing and Supply reviewed and evaluated the proposals. The committee convened initially to review the selection criteria specified in the advertised RFP, review the proposals, deliberate results developed independently by each representative, and finally select the proposed firms. Each proposal was evaluated on the following weighted criteria:

1. Management plan (5%)
2. Firm Capabilities (5%)
3. Response Time (10%)

4. Cost Control Experience (5%)
5. Client List/References (5%)
6. Equivalent Projects and Services (10%)
7. Key Personnel Qualifications and Relevant Experience (50%)
8. Support Services Organization and Capabilities (5%)
9. Accessibility to District and Project Sites (5%)

Staff applied the criteria to evaluate categories using a scale of 0-5 where 0 represented no qualification and 5 represented most qualified. Individual committee member scores were compiled and tallied for each respondent with total scores depicted in attachment "130-12168 Professional Engineering Services Evaluation for Power System Studies".

Based on the evaluation of the proposals received, Siemens and S&C Electric are selected as primary and alternate service providers respectively.

Justification: The recommended contracts are critical to supporting a reliable and timely improvement and expansion of the District's electric system to serve existing customers as well as the large load growth anticipated. Alternatives to these contracts are to hire additional experienced and knowledgeable technical personnel or extend the anticipated service schedule to new large load or interconnection customers. Efforts to recruit and hire personnel has proven difficult in recent times. Additionally, the risk of overstaffing exists if/when load growth driven system expansion decreases. The alternative to extend large customer load growth schedules is also problematic as "time to market" is a key consideration for most large industrial customers seeking to site or expand their business in Grant County. Customers have reported that extending their in-service date beyond our current backlog schedules likely makes their projects unfeasible in our system.

Work performed under these contracts will only be assigned to consultants if the scope of an individual project exceeds the capabilities of the in-house staff within the schedule required or if the work requires specialized knowledge or tools. These services are currently anticipated for power system studies to assess system expansion plans, ability to serve large load, and/or transmission interconnection requests.

Financial Considerations: Each contract shall remain in effect until December 30, 2025 and have a not to exceed amount of \$750,000 for a combined total of \$1,500,000. While it is not anticipated to spend that total amount of money, the not to exceed amounts provide District staff the flexibility to quickly respond to system study needs as identified by established planning and approval processes.

Recommendation: Commission approval to award Contract Document 130-12168A to Siemens and Contract Document 130-12168B to S&C Electric to supply professional engineering services as needed for power system studies.

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

Attachments: 130-12168 Professional Services RFP Evaluation

130-12168 Professional Services RFP Evaluation

Averages	
Firm	Score
Siemens	40.2
S&C	39.7
HDR	36.0
Power Engineers	35.8
EPE	34.5
ECI	34.5
Sargent & Lundy	32.8
Qualus	28.3
BKI Engineering Services	27.7
SEL	23.8
PSC	8.5

From: [Chris Heimbigner](#)
To: [Angel Barahona-Sanchez](#); [Shelli Tompkins](#); [Jeff Grizzel](#); [Jesus Lopez](#); [Ron Alexander](#)
Subject: RE: 130-12168A & 130-12168B Professional Services for Power System Studies and Analysis: COMMISSION MEMO Approval Request
Date: Thursday, August 15, 2024 8:36:58 AM

I approve the memo on behalf of Ron Alexander.

Chris

From: Angel Barahona-Sanchez <Abaraho@gcpud.org>
Sent: Thursday, August 15, 2024 8:30 AM
To: Chris Heimbigner <Cheimbigner@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>; Jeff Grizzel <jgrizzel@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>
Subject: RE: 130-12168A & 130-12168B Professional Services for Power System Studies and Analysis: COMMISSION MEMO Approval Request

Chris,

I attached the memo.

Angel

From: Chris Heimbigner <Cheimbigner@gcpud.org>
Sent: Thursday, August 15, 2024 8:22 AM
To: Angel Barahona-Sanchez <Abaraho@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>; Jeff Grizzel <jgrizzel@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>
Subject: RE: 130-12168A & 130-12168B Professional Services for Power System Studies and Analysis: COMMISSION MEMO Approval Request

If I need to approve the memo can you please send it to me.

Chris

From: Angel Barahona-Sanchez <Abaraho@gcpud.org>
Sent: Thursday, August 15, 2024 7:00 AM
To: Shelli Tompkins <stompkins@gcpud.org>; Jeff Grizzel <jgrizzel@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>
Cc: Chris Heimbigner <Cheimbigner@gcpud.org>
Subject: Re: 130-12168A & 130-12168B Professional Services for Power System Studies and Analysis: COMMISSION MEMO Approval Request

Shelli,

I approve the memo as well on behalf of Jesus.

I cc'd Chris Heimbigner since he is standing in for Ron Alexander this week.

Angel

From: Shelli Tompkins <stompkins@gcpud.org>

Sent: Thursday, August 15, 2024 6:50:41 AM

To: Angel Barahona-Sanchez <Abaraho@gcpud.org>; Jeff Grizzel <jgrizzel@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>

Subject: RE: 130-12168A & 130-12168B Professional Services for Power System Studies and Analysis: COMMISSION MEMO Approval Request

I just need your approval via an email response.

Thanks,

Shelli Tompkins

Procurement Officer

OFFICE 509.906.6983

EMAIL stompkins@gcpud.org

From: Angel Barahona-Sanchez <Abaraho@gcpud.org>

Sent: Wednesday, August 14, 2024 5:11 PM

To: Jeff Grizzel <jgrizzel@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>

Subject: RE: 130-12168A & 130-12168B Professional Services for Power System Studies and Analysis: COMMISSION MEMO Approval Request

Jeff,

Thank you for your approval!

Regarding your question, I will let [@Jesus Lopez](#) respond since I don't know the answer.

[@Shelli Tompkins](#), how do you want to address the signatures on the memo? As an option, I can sign digitally on behalf of Jesus.

Angel

From: Jeff Grizzel <jgrizzel@gcpud.org>

Sent: Wednesday, August 14, 2024 5:02 PM

To: Shelli Tompkins <stompkins@gcpud.org>; Angel Barahona-Sanchez <Abaraho@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>

Subject: Re: 130-12168A & 130-12168B Professional Services for Power System Studies and Analysis:

COMMISSION MEMO Approval Request

I approve of the memo as written.

I do have a question for Jesus and/or Angel though - when did we complete the evaluation of the 11 proposals and identify Siemens and S&C as the primary and alternate vendors?

Jeff

Get [Outlook for iOS](#)

From: Shelli Tompkins <stompkins@gcpud.org>

Sent: Wednesday, August 14, 2024 7:22:51 PM

To: Angel Barahona-Sanchez <Abaraho@gcpud.org>; Jesus Lopez <Jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>

Subject: 130-12168A & 130-12168B Professional Services for Power System Studies and Analysis: COMMISSION MEMO Approval Request

Good afternoon,

I am packaging the referenced contracts above for Commission filing tomorrow in Emilie's absence. I need to obtain your approval on the attached Memo.

Please respond to this email with your approval.

Thank you,

Shelli Tompkins

Procurement Officer

OFFICE 509.906.6983

EMAIL stompkins@gcpud.org

HOURS M-TH 6:00AM-4:30PM, FRI OFF



grantpud.org

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement, effective upon full execution, is by and between Public Utility District No. 2 of Grant County, Washington (“District”) and Siemens Industry, Inc. (“Contractor”);

R e c i t a l s :

The District desires to obtain Professional Engineering Services; and

The District's Managing Director of Power Delivery believes this Professional Engineering Services are required to meet system studies and analysis needs that are above and beyond the ability of the District to perform with existing staff levels; and

The Contractor, through an established review procedure as specified by RCW Chapter 39.80, has been selected and is willing to provide services on the terms and conditions hereinafter stated.

NOW, THEREFORE, in consideration of the mutual covenants herein, the parties hereto agree as follows:

1. Scope of Services

Contractor shall provide the District with engineering services associated with system studies and analysis as identified in accordance with Appendix “B”, Scope of Services Requirements.

Engineering services provided under this Agreement may include, but are not limited to, the tasks listed in Appendix “A”.

The District will authorize the Contractor to perform specific tasks by means of a Task Authorization for Professional Services (Appendix “E”) to be signed by both the District and the Contractor. Such authorization may be issued by the District Representative. The authorization will define the scope of the task, any time requirements and budget limitations.

The District makes no guarantee as to the actual amount of work to be done. The District reserves the right to suspend or terminate any authorized task at any time or to extend the Contract beyond the initial term by issuance of a Change Order in accordance with Section 5 to complete any work already initiated and/or authorized under the original term and scope of the Contract.

2. Independent Contractor

A. The Contractor shall operate as, and have the status of, an independent Contractor and will not be an agent or employee of the District nor will it be entitled to any employee benefits provided by the District. All the Contractor’s activities will be conducted at its own risk and be in compliance with all federal, state and local laws.

B. The Contractor shall perform its services with the level of skill, care and diligence normally provided by and expected of professional persons performing services similar to or like those to be performed hereunder. Contractor understands that the District will be relying upon the accuracy, competency, credibility and completeness of the services provided by the Contractor hereunder and that the District and its customers will be utilizing the results of such services.

3. Term - Schedule

This Agreement shall remain in full force and effect until December 30, 2025 or until terminated pursuant to Section 18.

4. Compensation and Payment

A. Compensation for services rendered and all reimbursable costs shall be per the rates set forth in Appendix "C", Rate Schedule. Changes to rates and costs shall only be on a prospective basis and shall occur in January of every calendar year beginning January 1, 2025 and no more frequently than once every 12 months thereafter. Each such change shall not exceed the lesser of i.) 5% or ii.) the percentage increase in the Bureau of Labor Statistics Consumer Price Index (CPI-U) for the West Urban region occurring during the immediately preceding 12 month period for which CPI-U data is available. Contractor shall notify the District in writing at least 30 days prior to any such rate increase going into effect.

In no event however, shall the total amount paid to Contractor for services and all reimbursable costs exceed the sum of \$750,000.00 USD unless a Change Order authorizing the same is issued in accordance with Section 5 below.

B. Contractor shall submit monthly invoices to the attention of:

Public Utility District No. 2
of Grant County, Washington
Attn: Accounts Payable
PO Box 878
Ephrata, WA 98823
Or AccountsPayable@gcpud.org

C. Invoices shall include the Contract number and a detailed description of the work performed. Any Labor Categories or reimbursable expenses shall be included on the invoice (see Appendix "C").

D. Payment will be made by the District upon completion of work following District approval of Contractor's invoices. Invoice shall be subject to the review and approval of the District. Invoice shall be in a detailed and clear manner supported by such information the District may require. The District will make payment to Contractor within 30 days after District's receipt and approval of said invoice. Contractor understands and agrees that by executing this Contract with the District, the District shall make payment(s) by automated clearing house (ACH).

E. The District Representative may approve additional Contractor employees, personnel categories, and/or equipment rates to be added to the Rate Schedule, if applicable, provided that any additional employees have at least equivalent training and skills and are compensated at the same or lower rates than those listed on the current approved Rate Schedule for similar work. There shall be no change in the total Contract not to exceed amount. All additions must be approved in writing prior to performing services under the Contract.

5. Change Orders

Except as provided herein, no official, employee, agent or representative of the District is authorized to approve any change in this Contract and it shall be the responsibility of the Contractor before proceeding with any change, to satisfy itself that the execution of the written Change Order has been properly authorized on behalf of the District. The District's management has limited authority to approve Change Orders. The current level and limitations of such authority are set forth in District Resolution No. 8609 which may be amended from time to time. Otherwise, only the District's Board of Commissioners may approve changes to this Contract.

Charges or credits for the work covered by the approved changes shall be determined by written agreement of the parties and shall be made on Change Order form as reflected on Appendix "D".

When a change is ordered by the District, as provided herein, a Change Order shall be executed by the District and the Contractor before any Change Order work is performed. When requested, Contractor shall provide a detailed proposal for evaluation by the District, including details on proposed cost. The District shall not be liable for any payment to Contractor, or claims arising there from, for Change Order work which is not first authorized in writing. All terms and conditions contained in the Contract Documents shall be applicable to Change Order work. Change Orders shall be issued on the form attached as Appendix "D" and shall specify any change in time required for completion of the work caused by the Change Order and, to the extent applicable, the amount of any increase or decrease in the Contract Price.

6. Taxes

A. Except for the Washington State retail sales and use taxes as may be levied upon the Contract, pursuant to RCW Chapters 82.08 and 82.12, the Contract Price includes and the Contractor shall have the full exclusive liability for the payment of all taxes, levies, duties and assessments of every nature due and payable in connection with this Contract or its employees and subcontractors performing work related to this Contract.

B. Washington State retail sales tax and use taxes levied upon this Contract pursuant to RCW Chapters 82.08 and 82.12 are excluded from the rates and if applicable will be reimbursed as follows:

1. If the Contractor has, or is required to have a valid Washington State sales tax identification number, the identification number shall be furnished to the District upon request. The Contractor shall make payment of any Washington State retail sales and use taxes due and Contractor shall be reimbursed by the District for the same. Contractor shall be solely responsible for any interest or penalties arising from late or untimely payment of said taxes.
2. If the Contractor is not required to have a valid Washington State sales tax identification number, it shall notify the District of the same. In such event, the District, after receiving proper invoices from Contractor, shall make payment of said Washington State retail sales and use taxes levied upon this Contract to the Washington State Department of Revenue.

7. Hold Harmless and Indemnification

Contractor shall, at its sole expense, indemnify, defend, save, and hold harmless the District, its officers, agents, and employees from all actual third party claims or losses, including costs and legal fees at trial and on appeal, alleging bodily injury, death or damages to tangible property but

only to the extent caused by any negligent act of or omission of the Contractor or its subcontractors, excluding damages caused by the negligence of the District, in the administration or performance of this Agreement or any subcontracts, and for which either of the parties, their officers, agents, or employees may or shall be liable. In situations where liability for damages arises from claims of bodily injury to persons or damage to property, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Contractor or its subcontractors. Contractor waives its immunity under industrial insurance, Title 51 RCW, to the extent necessary to effectuate this indemnification/hold harmless agreement. Contractor's indemnification obligation shall not apply to liability for damages arising out of bodily injury to a person or damage to property caused by the negligence of the District or its agents or employees and not attributable to any act or omission on the part of the Contractor. In the event of damages to a person or property caused by or resulting from the concurrent negligence of District or its agents or employees and the Contractor or its agents or employees, the Contractor's indemnity obligation shall apply only to the extent of the Contractor's (including that of its agents and employees) negligence.

Contractor acknowledges that by entering into this Contract with the District, it has mutually negotiated the above indemnity provision with the District. Contractor's indemnity and defense obligations shall survive the termination or completion of the Contract and shall remain in full force and effect until satisfied in full.

8. Limitation of Liability

The entire, collective liability of Contractor, Contractor affiliates and subcontractors and their officers, directors and employees for all claims and damages related in any way to this Agreement, in the aggregate and regardless of the form of action, will be limited to the amount paid to Contractor for the consulting services under the proposal that is the subject of the claim, provided that this total liability limit shall not apply to damages covered by Contractor's insurance coverages as required in Section 9. Notwithstanding anything in this Agreement to the contrary, Contractor is not liable, for any type of indirect, special, liquidated, punitive, exemplary, collateral, incidental or consequential damages or for any other loss or cost of a similar type. Neither party may make a claim under the Agreement more than three years after the event giving rise to the claim is or should have been discovered by the claimant.

9. 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. 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.

4. **Excess Insurance:** Excess (or Umbrella) Liability insurance with a **minimum limit of \$5,000,000 per occurrence and in the aggregate.** This insurance shall provide coverage in excess of the underlying primary liability limits, terms, and conditions for each category of liability insurance in the foregoing subsections 1, 2 (Employer's Liability only) and 3. If this insurance is written on a claims-made

policy form, then the policy shall be endorsed to include an automatic extended reporting period of at least five years or the statute of repose.

Umbrella/Excess 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.

5. **Professional Liability/Network Security Insurance:** Contractor shall obtain professional errors and omissions liability insurance in an amount of **not less than \$5,000,000 per claim and in the aggregate**. Coverage shall respond to wrongful acts in the rendering of, or failure to render, professional services under this Agreement, electronic data losses or damage or breaches of electronic data security including disclosures of private or Protected Information of the District or any employee, participant or beneficiary of the Services provided by Contractor pursuant to this contract. In the event of a claim and upon the District's request, Contractor shall provide a copy of its Professional Liability/Network Security Insurance policy. The Professional Liability Insurance retroactive coverage date shall be no later than the effective date of this agreement. Contractor shall continuously maintain such insurance or purchase an extended reporting period providing that claims first made and reported to the insurance company within two years after termination of the Agreement will be deemed to have been made during the policy period.

If Contractor shall hire subcontractor for all operations and risk involving professional network services exposure, this requirement may be satisfied by subcontractor's policies. Contractor shall impute the insurance requirements stated in this section to subcontractor by written contract or written agreement. Any exceptions must be mutually agreed in writing with 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 endorsements 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.

10. Assignment

Contractor may not assign this Agreement, in whole or in part, voluntarily or by operation of law, unless approved in writing by the District.

11. Records - Audit

- A. The results of all work and services performed by the Contractor hereunder shall become the property of the District upon completion of the work herein performed and shall be delivered to the District prior to final payment.
- B. Until the expiration of three years after final acceptance by District of all the work, Contractor shall keep and maintain complete and accurate records of its costs and expenses related to the work or this Contract in accordance with sound and generally accepted accounting principles applied on a consistent basis. To the extent this Contract provided for compensation on a cost-reimbursable basis or whenever such records may, in the opinion of the District, be useful in determining any amounts payable to Contractor or District (e.g., the nature of a refund, credit or otherwise), Contractor shall provide District access to all such records for examination, copying and audit.

12. Nondisclosure

Contractor agrees that it will not divulge to third parties, without the written consent of the District, any information obtained from or through District in connection with the performance of this Contract. Contractor further agrees that it will not, without the prior written consent of District, disclose to any third party any information developed or obtained by the Contractor in the performance of this Contract and, if requested by District, to require its employees and subcontractors, if any, to execute a nondisclosure agreement prior to performing any services under this Contract. Nothing in this section shall apply to:

- A. Information which is already in the Contractor's possession not subject to any existing confidentiality provisions,
- B. Information which, at the time of disclosure, is in the public domain by having been printed and published and available to the public libraries or other public places where such data is usually collected, and

C. Information required to be disclosed by court order or by an agency with appropriate jurisdiction.

13. Public Records Act

The District is subject to the disclosure obligations of the Washington Public Records Act of RCW 42.56. The Contractor expressly acknowledges and agrees that any information Contractor submits is subject to public disclosure pursuant to the Public Records Act or other applicable law and the District may disclose Contractor's proposal and/or information at its sole discretion in accordance with its obligations under applicable law.

14. Applicable Law

Contractor shall comply with all applicable federal, state and local laws and regulations including amendments and changes as they occur. All written instruments, agreements, specifications and other writing of whatsoever nature which relate to or are a part of this Agreement shall be construed, for all purposes, solely and exclusively in accordance and pursuant to the laws of the State of Washington. The rights and obligations of the District and Contractor shall be governed by the laws of the State of Washington. Venue of any action filed to enforce or interpret the provisions of this Agreement shall be exclusively in the Superior Court, County of Grant, State of Washington or the Federal District Court for the Eastern District of Washington at the District's sole option. In the event of litigation to enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable legal fees in addition to any other relief allowed.

15. Subcontracts/Purchases

The Contractor is not authorized to enter into any subcontracts or make any purchases of materials or equipment.

16. Notices

Any notice or other communication under this Contract 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.

District

Jesus Lopez
Public Utility District No. 2
of Grant County, Washington
PO Box 878
154 A Street SE, Building E
Ephrata, WA 98823
(509) 754-1496
jlopez@gcpud.org

Contractor

Eric Wuttke
Siemens Industry, Inc.
400 State Street
4th Floor
Schenectady, NY 12301
(518) 362-6187
eric.wuttke@siemens.com

For purposes of technical communications and work coordination only, the District designates Jesus Lopez as its representative. Said individual shall have no authority to authorize any activity

which will result in any change in the amount payable to Contractor. Such changes, if any, must be by written Change Order issued in accordance with Section 5 to be valid and binding on the District.

17. Ownership of Work Product/Copyright

- A. District shall own all right, title and interest in the tangible deliverables provided by Contractor under this Agreement. Ownership of any existing or developed intellectual property, including that embedded in deliverables, shall remain at all times with Contractor. Contractor grants District a non-exclusive, personal, irrevocable, world-wide, paid-up license to use Contractor's intellectual property embedded in the deliverables solely for the purpose of this Agreement. Except as expressly granted herein, nothing contained in this Agreement shall be deemed to grant any license under any intellectual property right other than those expressly granted herein.
- B. Contractor acknowledges and agrees that all services/work are specifically ordered under an agreement with Public Utility District No. 2 of Grant County, Washington, and shall be considered "work made for hire" and "Work Product" for purposes of copyright. All copyright interest in Work Product shall belong to and be the exclusive property of the District.
- C. Upon final acceptance or termination of this Agreement, Contractor shall immediately turn over to the District all Work Product. This does not prevent the Contractor from making a file copy for their records.

18. Termination

- A. District may, at any time, for any reason, upon 10 days notice, terminate Contractor's services in connection with this Agreement, or any part thereof, by designating that portion of the services to be terminated. In case of termination pursuant to this Section A, District will make payment at the rates specified in this Agreement for services properly performed up to the date of termination. However, in no event shall Contractor be entitled to any other payment to or any anticipated fee or profit on unperformed work.
- B. In the event of Contractor's breach or abandonment of this Contract, the District may thereupon and without further notice, terminate this Agreement provided that Contractor has not begun to cure the breach within a reasonable amount of time. The District without waiving any other remedies available to it, may retain any monies otherwise due Contractor under this Agreement to the extent such sums are required to compensate District, in whole or in part, for any loss or damage caused by Contractor's breach or abandonment.

19. Non-Waiver

No waiver of any provision of this Agreement, or any rights or obligations of either Party under this Agreement, shall be effective, except pursuant to a written instrument signed by the Party or Parties waiving compliance, and any such waiver shall be effective only in the specific instance and for the specific purpose stated in such writing. The failure of either Party to require the performance of any term of this Agreement or the waiver of either Party of any breach under this Agreement shall not operate or be construed as a waiver of any other provision hereof, nor shall it be construed as a waiver of any subsequent breach by the other Party hereto.

20. Physical Security

If any performance under this Contract is to be conducted on District facilities or worksites, it shall be the responsibility of the Contractor to ensure that its employees and those of its Subcontractors are informed of and abide by the District's Security Policies as if fully set out herein a copy of which shall be provided to the Contractor by the District Representative at the preconstruction meeting or prior to beginning work. Without limiting the foregoing, Contractor and its employees shall be required to:

- A. Keep all external gates and doors locked at all times and interior doors as directed.
- B. Visibly display ID badges on their person at all times.
- C. Stay out of unauthorized areas or in authorized areas outside of authorized work hours, without express authorization from the District.
- D. Provide proper notification to the appropriate parties, and sign in and out upon entry and exit to secured locations. If unsure of who to notify, Contractor shall contact the District Representative.
- E. Immediately notify the District if any of Contractor's employees no longer need access or have left the Contractor's employment.
- F. Immediately report any lost or missing access device to the District Representative. A minimum charge will be assessed to the Contractor in the amount of \$50.00 per badge and the fee for lost or non-returned keys may include the cost to re-key the plant facilities. The Contractor is strictly prohibited from making copies of keys.
- G. Not permit 'tailgating' through any controlled access point (i.e. person(s), authorized or unauthorized, following an authorized person through an entry point without individual use of their issued ID badge or key).
- H. Return all District property, including but not limited to keys and badges, to the District Representative when an individual's access to the facility is no longer needed.
- I. Guest Wireless: The District provides Guest Wireless Internet access to contractors and vendors that need to conduct business in support of the District from personally owned mobile devices such as laptops and smart phones. Contractor personnel are responsible for exercising good judgment regarding appropriate use of information, electronic devices, and network resources.

The Contractor and any Subcontractors shall comply with the safety requirements of these Contract Documents and all District policies pertaining to COVID-19 located at <https://www.grantpud.org/for-contractors>.

21. Security, Safety Awareness Training, Dam Safety Awareness Training, and Transmission and Distribution Access Training

Prior to receiving access to any District facilities, all Contractors, Contractor's employees, subcontractors and subcontractor's employees, material suppliers and material supplier's employees, or any person who will be engaged in the work under this Contract that requires access

to District facilities, shall be required to take and pass the District's Security and Safety Awareness training before being issued a security access badge to access District facilities. Under no circumstances will the failure of any Contractor or subcontractor employee to pass the required training, be grounds for any claim for delay or additional compensation.

The Safety and Security Awareness training is available online and is a 20-30 minute training. The training is located at: <https://www.grantpud.org/for-contractors>. All contractors and their employees are required to successfully complete Safety and Security Awareness training before coming onsite. The Security and Safety certificates should be emailed directly to SecurityTrainingCerts@gcpud.org.

District Representative shall ensure that Contractor's employees, subcontractor's and subcontractor's employees have completed and submitted the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted before any security access badges will be issued.

If applicable, Dam Safety Awareness Training is required for Contractors who are performing work in and around Priest Rapids and Wanapum Dams and are badged. The training is available online only and is a 20-30 minute training. Contractor shall ensure that its employees, Subcontractors and Subcontractor's employees have completed, passed and printed the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted to the District Representative before any security access badges will be issued.

If applicable, Transmission and Distribution Access Training is required for Contractors, or their Subcontractors, who may hold a clearance or hotline hold order as part of performance of work under this Contract. The training is available online only and is a 20-30 minute training. Contractor shall ensure that its employees, Subcontractors and Subcontractor's employees have completed, passed and printed the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted to the District Representative before any security access badges will be issued.

If you are uncertain which of the above courses you or your employees must complete, please contact your District Representative.

22. Protected Information

The State of Washington, Federal Energy Regulatory Commission (FERC) and/or North American Reliability Corporation (NERC) has established regulations for the protection of sensitive plans, drawings and records defined as Security Sensitive Information (SSI), Critical Energy Infrastructure Information (CEII) and/or Bulk Electric System Cyber System Information (BCSI), reference Appendix "G". In accordance with the Revised Code of Washington (RCW), FERC and NERC regulations, and using them as guidance, the District has identified and designated certain information as SSI, CEII, and/or BCSI (hereinafter referred to collectively as "Protected Information"). Because of the sensitive nature of certain District Protected Information that could be used in this Contract, Contractor is bound by the terms and conditions set forth in the Non-Disclosure Agreement (NDA) previously executed with the District during the proposal process and included as Appendix "F".

23. Approval of Personnel Changes

The Contractor shall submit to the District Representative for review and approval a proposed list of individuals who will have access to SSI, CEII, or BCSI or to restricted areas of District facilities. Unless otherwise required or prohibited by law, the Contractor shall supply the following information for each individual: full legal name, physical address, date of birth, qualifications, years' of experience, lawful presence and eligibility to work in the United States of such individuals along with their experience and qualifications for the type of work they will perform. Subject to prior written authorization of District Representative, Contractor may add or change personnel on the approved list provided that the same identifying information listed above is provided to the District Representative for review and approval. The Contractor shall submit to the District Representative all additions to the approved list of individuals along with the above listed information for review and approval. The District reserves the right to deny approval of any proposed individual if, as determined by the District, such individual is unsatisfactory to the District. The District will be the sole judge of such effect. All personnel shall be subject to the nondisclosure provisions of this Contract which shall survive their replacement or termination as provided herein.

24. Background Checks

The District reserves the right to require Contractor to have conducted prior criminal background checks on its employee(s) before the District will grant such individuals access to secure areas of District facilities or electronic access to Bulk Electric System Cyber Assets or Protected Information.

In the event the District determines in its sole discretion that an individual is unsatisfactory to the District, the District reserves the right to require the Contractor to remove such individual from the job site and/or to exclude such individual from having any access to SSI, Bulk Electric System Cyber Assets, CEII, or BCSI.

25. Qualification of Contractor's Access and Personnel Change Approval

The District reserves the right to deny any Contractor or employee thereof access to District facilities or Protected Information at the District's sole discretion. The District will be the sole judge of such effect. All Contractors and employees thereof shall be subject to the nondisclosure provisions of this Contract.

The District reserves the right to require Contractor to conduct criminal background checks, provide an identity validation document (I-9, Social Security card, driver's license) and complete the District provided training for its employee(s) before the District will grant such individuals access to secure areas of District facilities. Contractor shall execute one certification for each employee requiring a background check on the form provided by the District and attached hereto as Appendix "H". The cost of such background checks shall be borne by the Contractor. For access to Protected Information relating to Critical Infrastructure Protection, the District reserves the right to require a Non-Disclosure Agreement and a certificate of completion from the District-provided training for each employee before the District will grant access to such individuals.

In the event the District determines in its sole discretion that an individual or Contractor is unsatisfactory, or fails to provide the information listed above, the District reserves the right to exclude such individual or Contractor from secure areas and/or from having any access to Protected Information.

26. Contractor Safety Requirements

The following applies if Contractor, or any of its sub-consultants, subcontractors, or suppliers of any tier, performs any activities on premises owned, leased, possessed, or controlled by the District. The Contractor Safety Requirements shall be required when applicable as determined by the District Representative based upon the scope of work. To the extent applicable, the Contractor shall ensure that all workers, sub-consultants, subcontractors, and suppliers comply with these requirements. In fulfilling these requirements, the Contractor shall also comply with material and equipment manufacturer instructions, and safety and health requirements in accordance with WAC 296-126-094 and this Agreement where applicable. If there are conflicts between any of the requirements referenced in the Contract Documents, the more stringent requirement shall prevail.

- A. Office Work: Contractor personnel who perform work in an office environment at premises owned, leased, possessed, or controlled by the District shall be required to follow at a minimum the following safety and security requirements. This work includes but is not limited to professional services and consulting, technology-related tasks, and training services. Work activities may include working at a desk, attending meetings, touring facilities, and similar activities.
 - 1. Access: The Security Department administers physical access to District facilities. Contractor personnel shall be issued an ID badge or visitor badge to provide access to work areas as needed per Sections 20 and 21. Workers without authorized access to an area must be escorted at all times. Any person with authorized access may serve as an escort.
 - 2. Emergency Preparedness: All Contractor personnel, when entering a facility or work area, shall determine the locations of emergency exits, fire extinguishers, first aid kits, AED, and gathering points in case of evacuation.
 - 3. Housekeeping: Contractor personnel shall keep desks, cubicles, meeting rooms, and all other working areas free from clutter and tripping hazards. Work areas shall be cleaned after use according to applicable guidelines posted by the District in such work areas.

27. Warranty

Contractor warrants that for a period of ninety days from delivery the consulting services will be performed in a professional and workmanlike manner. District’s remedies for Contractor’s failure to perform the Consulting Services in accordance with the warranty shall be Contractor reperformance of the non-conforming services, or at Contractor’s option, refund of amounts paid for the applicable work. EXCEPT AS PROVIDED IN THIS SECTION 27, CONTRACTOR MAKES NO OTHER WARRANTY, EXPRESS, IMPLIED OR STATUTORY, WITH RESPECT TO THE PROFESSIONAL SERVICES AND ALL SUCH WARRANTIES ARE HEREBY DISCLAIMED INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, COURSE OF DEALINGS OR USAGE IN TRADE.

IN WITNESS WHEREOF, the Contractor and the District have executed this Agreement each by its proper respective officers and officials thereunto duly authorized the day and year first above written.

Public Utility District No. 2
of Grant County, Washington

Siemens Industry, Inc.

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

APPENDIX “A”

POTENTIAL TASK LISTING – “Master Agreement” for Professional Engineering Services

Transmission and Distribution Planning Analysis:

- Long range transmission planning analysis
- Load interconnection studies
- Generation siting and interconnection studies
- Transfer Capability Analysis
- NERC Compliance Analysis
- Dynamic system modeling and validation
- Reliability Analysis
- Transmission Sensitivity Studies
- Transmission System Impact Analysis
- Optimal Power Flow Analysis
- Voltage Stability Analysis
- Transient Stability Analysis
- Electromagnetic Field and Corona
- Arc Flash Hazard Analysis
- Reactive Power Compensation
- Short Circuit Studies
- Distribution long/short range plan
- Motor Start and Inrush current Analysis
- Protection Coordination Analysis
- Power Quality Analysis
- Other tasks as identified and approved

APPENDIX "B"
SCOPE OF SERVICES REQUIREMENTS

A. ENGINEERING AND TRANSMISSION SYSTEM STUDIES

Products required shall include as a minimum:

1. Obtain models and verify initial conditions.
2. Perform studies as required.
3. Prepare and submit reports.

B. Provide the required number of hard and electronic copies of the reports, recommendations, and presentations as may be required while administering projects.

C. CONTRACTOR EQUIPMENT

It is assumed that the Contractor has the following, as a minimum set of engineering tools and equipment, when in the field and the costs of these shall be included by Contractor overheads **(individual billings for these items will not be allowed)**:

Cellular phones

Digital cameras

Laptops, iPads, Tablets, Desktops, including any and all computers, disks, printers, storage media, and other computing hardware

D. SOFTWARE

The Contractor shall provide all drawings, reports and construction packages in District standard computer format. The Contractor will provide their own copies of said software packages, unless the package is proprietary to the District. These packages include, but are not limited to:

Microsoft® Project

Microsoft® Word

Microsoft® Excel

PowerWorld Simulator with the add on features such as PV/QV tools, Available Transfer Capability, and Transient Stability

Aspen OneLiner, Aspen constants

Synergi Electric

The Contractor shall maintain the same version of applicable software concurrent with the District.

E. INTERNET

The Contractor shall have an Internet e-mail account for the purposes of electronic file transfers and routine communications with the District. This shall not eliminate the need for hard copy documentation.

F. TELEPHONE

The District will not be responsible for local, long distance, cell phone or other telephone charges. These expenses are considered an overhead expense and included in the hourly rate.

G. COMPUTER TIME

The District will not be responsible for computer time or use of software service fees. These expenses are considered an overhead expense and included in the hourly rate.

H. EQUIPMENT AND SOFTWARE

The equipment, tools, software, etc., in Appendix B Sections C, D, E, F, & G shall be included in hourly rate overhead as an operating expense.

**APPENDIX “C”
RATE SCHEDULE**

DIRECT EXPENSES:

Rates are stated in US Dollars.

Engineer's Classification Code	Billing Rate Job Description	Billing Rate	Classification
A	Project Manager I	\$309.00	Project management
B	Clerical	\$121.00	Word processing, Data Entry
C	Engineer V	\$400.00	Detail design and studies
D	Engineer IV	\$341.00	Detail design and studies
E	Engineer III	\$309.00	Detail design and studies
F	Engineer II	\$251.00	Detail design and studies
G	Engineer I	\$222.00	Detail design and studies

Fixed hourly billing rates shall be in US Dollars and include all i) payroll, payroll taxes and fringe benefits; ii) all reproduction and printing costs including electronic media; iii) communications costs including all phones, faxes, internet, postage, shipping, delivery, couriers; iv) computer and computer time, software or service fees, cameras, tablets, printers, scanners, office machines and related costs of operations including consumables; v) insurance costs; vi) indirect and overhead burden; and vii) profit.

The Engineer’s Classification Code is the maximum personnel rate that can be charged for the classification of work to be done. For example: data entry into any of the District’s computer systems will not be paid at a rate exceeding that of a CLASSIFICATION CODE “B”.

REIMBURSABLE EXPENSES:

Reimbursable expenses are those reasonable and necessary costs incurred on or directly for the District’s project, including necessary transportation costs, meals and lodging. Any actual expenses in non-US dollars will be converted using the conversion tables at www.x-rates.com for the applicable period. Reimbursement will be subject to the following limitations:

Meals and Incidental Expenses: Meals and incidental expenses will be limited to the Federal Per Diem rate for meals and incidentals established for the location where lodging is obtained. The current rate for all Grant County locations is \$59.00 per day. Federal Per Diem guidelines which includes the meal breakdown and Federal Per Diem rates for other locations can be found at www.gsa.gov.

Lodging: Lodging will be billed at cost, including applicable taxes, not to exceed 200% of the Federal Per Diem maximum lodging rate for the location where the work is being performed. The current federal maximum lodging rate for all Grant County locations is \$107.00. The District Representative may increase this limit in writing when circumstances require.

Travel: Air travel (at coach class or equivalent), airport shuttles, etc. billed at cost. Ground transportation by privately owned vehicle, if utilized, billed at the Internal Revenue Service mileage rate for privately owned vehicles in effect at the time of travel. Expenses for a rental car, at cost, in the ratio of one mid-size class rental car for each three Contractor’s personnel directly engaged in performance of the work at the prevailing rental rates then in effect. Rental car options such as refueling fees, GPS, collision & liability insurance, etc. will not be reimbursed by the District unless such options are approved in advance by the

District Representative. **Appropriate insurance coverage should be included in the Contractor's insurance policies.**

Other: All other expenses will be based on actual costs and include appropriate documentation.

Reimbursable expenses must be accompanied by receipts for airfare, hotel, and rental car, and any other support documentation as the District may require.

APPENDIX "D"
CHANGE ORDER
NO. __

Pursuant to Section 5, the following changes are hereby incorporated into this Contract:

- A. Description of Change:

- B. Time of Completion: The revised completion date shall be _____.
OR
The completion date shall remain _____.

- C. Contract Price Adjustment: As a result of this Change Order, the not to exceed Contract Price shall remain unchanged (be increased/decreased by the sum of \$_____ 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 \$_____, 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

Siemens Industry, Inc.

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

APPENDIX "E"
TASK AUTHORIZATION FOR
PROFESSIONAL SERVICES

Contract No.:	130-12168A	Task Authorization No.:		Amendment No.:	
Project Name:					

The Scope of Services covered by this authorization shall be performed in accordance with all the terms and conditions in the above referenced Contract Documents which are incorporated herein by this reference.

The District hereby requests and authorizes the Contractor to perform the following services:

Sample Only

Compensation is to be paid in accordance with and subject to the limitations in Section 4.A of the Contract Documents. In addition, the total cost of the above described work shall not exceed \$_____ without advance amendment of this Task Authorization by the District.

Public Utility District No. 2
of Grant County, Washington

Siemens Industry, Inc.

Approved for District

Accepted by Contractor

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: District Representative

Title: _____

Date: _____

Date: _____

APPENDIX "F"
NON-DISCLOSURE AGREEMENT

This Non-Disclosure Agreement ("NDA") is entered into on the date shown on the signature page between Public Utility District No. 2 of Grant County, Washington ("District"), and _____, ("Contractor"), sometimes collectively referred to as the "Parties."

RECITALS

The District has identified and designated certain information as confidential. For purposes of this Agreement, "Protected Information" includes:

- District customer information protected under RCW 19.29A, Consumers of Electricity;
- District employee information;
- District vendor information;
- All technical and business information or material that has or could have commercial value or other interest in the business or prospective business of the District;
- All information and material provided by the District which is not an open public record subject to disclosure under RCW 42.56, Public Records Act;
- All information of which unauthorized disclosure could be detrimental to the interests of the District or its customers, whether or not such information is identified as Protected Information; and
- Any information identified and designated by the District as Security Sensitive Information (SSI), Critical Energy Infrastructure Information (CEII), and/or Critical Infrastructure Protection (CIP) Protected Information in accordance with the State of Washington, Federal Energy Regulatory Commission (FERC) and/or North American Reliability Corporation (NERC), which have established regulations for the protection of sensitive plans, drawings, and records defined as SSI, CEII, and/or CIP Protected Information. SSI, CEII, and CIP Protected Information are further defined in Appendix "G".

Because of the sensitive nature of such information that may be provided to the Contractor, Contractor must execute and deliver this NDA to the District prior to receiving such Protected Information from the District.

NOW, THEREFORE, the Parties agree as follows:

1. **Incorporation by Reference.** The recitals set forth above are incorporated herein as if fully set forth.
2. **Protected Information Disclosure.** All information and drawings that are disclosed by the District to the Contractor, which are designated as confidential, SSI, CEII, and/or CIP Protected Information, shall be protected hereunder as Protected Information.

3. **Non-Disclosure.** Subject to the provisions of Section 4 and unless the parties agree otherwise, this non-disclosure obligation shall survive the termination of this NDA. Contractor shall not disclose or disseminate Protected Information and shall:
 - A. Restrict disclosure of Protected Information solely to its agents and employees with a need to know and not disclose such Protected Information to any others; and
 - B. Advise and require all of its officers, agents, employees, representatives, prospective and successful subcontractors, consultants and employees thereof with access to the Protected Information to execute an NDA in this same form with the District prior to allowing them access to the Protected Information; and
 - C. Use the Protected Information provided hereunder only for purposes directly related to performance of the work Contract 130-12168A.
 - D. In the event third parties attempt to obtain the Protected Information by legal process, the Contractor agrees that it will not release or disclose any Protected Information until the District has received notice of the legal process and has been given reasonable opportunity to contest such release of information and/or to assert the confidentiality privilege.
4. **Ownership and Return of Protected Information.** All Protected Information shall remain the property of the District. Contractor is responsible for safeguarding and returning all Protected Information or shall certify, by signed, statement delivered to the District, the destruction of all original Protected Information provided along with any copies made by the Contractor. Such delivery shall be to the District, Attention: Emilie DeLong, PO Box 878, Ephrata, WA 98823.
5. **Compliance Audit.** The District may audit Contractor's compliance with this NDA.
6. **Applicable Law.** This NDA is made under, and shall be construed according to, the laws of the State of Washington and the Federal Energy Regulatory Commission regulations. Venue for any action brought pursuant to this NDA shall, at the District's option, be in Grant County Superior Court, Grant County, Washington or in the United States District Court for the Eastern District of Washington.
7. **Assignment.** This NDA may not be assigned.
8. **Violations.** Contractor understands and agrees that the District is providing the Protected Information to Contractor in reliance upon this NDA, and Contractor will be fully responsible to the District for any damages or harm caused to the District by a breach of this NDA by Contractor or any of its officers, directors, agents, employees, subcontractors, consultants or affiliates. Contractor acknowledges and agrees that a breach of any of its promises or agreements contained herein will result in irreparable injury to the District for which there will be no adequate remedy at law, and the District shall be entitled to apply for equitable relief, including injunction and specific performance, in the event of any breach or threatened breach or intended breach of this NDA by Contractor. Such remedies, however, shall not be deemed to be the exclusive remedies for any breach of the Agreement but shall be in addition to all other remedies available at law or in equity. In addition to injunctive relief, civil or criminal penalties may be imposed for each violation of this NDA.
9. **Attorney's Fees.** In the event it is necessary for the District to utilize the services of an attorney

to enforce any of the terms of this NDA, it shall be entitled to compensation for its reasonable attorney's fees and costs. In the event any legal action becomes necessary to enforce the provisions of the NDA, the substantially prevailing party shall be entitled to reasonable attorney's fees and costs in addition to any other relief allowed, regardless of whether the dispute is settled by trial, trial and appeal, arbitration, mediation, negotiation or otherwise, and regardless of whether suit is formally filed.

10. **Corporate Authority; Binding Signatures.** The individual executing this NDA on behalf of Contractor warrants that he or she is an authorized signatory of the entity for which they are signing, and have sufficient institutional authority to execute this NDA.
11. **Electronic Signatures.** Signatures transmitted electronically shall be deemed valid execution of this NDA, binding on the parties.
12. **Effective Date and Term.** This NDA shall become effective immediately and remain in full force and effect until Contractor has returned all Protected Information to the District provided, however, the obligations contained in Section 3 shall survive the termination of this NDA.

CONTRACTOR: Name: _____

Address: _____

Phone: _____

Email: _____

Signature: _____

Print Name: _____

Title: _____

Date: _____

APPENDIX “G”
DEFINITIONS OF PROTECTED INFORMATION

Definition of Critical Infrastructure Protection (CIP)

Pursuant to section 215 of the Federal Power Act (FPA), the Federal Energy Regulatory Commission (FERC) approved the Critical Infrastructure Protection (CIP) Reliability Standards. The CIP Reliability Standards require certain users, owners, and operators of the Bulk-Power System to comply with specific requirements (CIP-002 through CIP-014) to safeguard critical cyber assets. Penalties for non-compliance with NERC CIP can include fines, sanctions or other actions against covered entities.

Definition of Critical Energy Infrastructure Information (CEII)

The Critical Energy Infrastructure Information (CEII) guidelines of the Federal Energy Regulatory Commission (FERC) define CEII as specific engineering, vulnerability, operational or detailed design information about proposed or existing critical energy infrastructure (physical or virtual) that relates to the production, generation, transportation, transmission or distribution of energy, could be useful to a person planning an attack on critical infrastructure, is exempt from mandatory disclosure, and gives strategic information beyond the location of the critical infrastructure. 18 CFR §388.113 and RCW 42.56.520.

Definition of Bulk Electric System Cyber System Information (BCSI)

The North American Electric Reliability Corporation (NERC) has been designated by the FERC, through the Energy Policy Act of 2005, to establish and enforce standards and requirements for the reliable operation of the Bulk Electric System. The Bulk Electric System includes the District’s electrical generation resources, transmission lines, and interconnections with neighboring electric systems. Information related to the District’s Bulk Electric System Cyber Systems (BCS) is required to be protected due to the sensitive security nature of such information, and the need to protect public safety (hereinafter referred to as “CIP Protected Information”). BCSI generally (not exclusively) is defined as information about the BCS that could be used to gain unauthorized access or pose a security threat to the BCS and affect the reliable operations of the Bulk Electric System. The District is required to protect this information including, but not limited to, network topology/diagrams; floor plans for computing centers; equipment layouts; security configuration information and other information as defined in the NERC standards. FERC Order No. 706, issued January 18, 2008; 18 CFR Part 40; and RCW 42.56.070.

Definition of Security Sensitive Information (SSI)

Security Sensitive Information is those portions of records assembled, prepared, or maintained to prevent, mitigate, or respond to criminal or terrorist acts, which are acts that significantly disrupt the ability of the District to fulfill its mission and goals and that manifest an extreme indifference to human life, the public disclosure of which would have a substantial likelihood of threatening public safety. SSI includes: (a) Specific and unique vulnerability assessments or specific and unique response or deployment plans, including compiled underlying data collected in preparation of or essential to the assessments, or to the response or deployment plans; (b) Records not subject to public disclosure under federal law that are shared by federal or international agencies, and information prepared from national security briefings provided to state or local government officials related to domestic preparedness for acts of terrorism; and (c) Information regarding the infrastructure and security of computer and telecommunications networks, consisting of security passwords, security access codes and programs, access codes for secure software applications, security and service recovery plans, security risk assessments, and security test results to the extent that they identify specific system vulnerabilities.

Bulk Electric System (BES)

Unless modified by the lists shown below, all Transmission Elements operated at 100 kV or higher and Real Power and Reactive Power resources connected at 100 kV or higher. This does not include facilities used in the local distribution of electric energy. Inclusions:

- I1 - Transformers with the primary terminal and at least one secondary terminal operated at 100 kV or higher unless excluded by application of Exclusion E1 or E3.
- I2 – Generating resource(s) including the generator terminals through the high-side of the step-up transformer(s) connected at a voltage of 100 kV or above with: a) Gross individual nameplate rating greater than 20 MVA. Or, b) Gross plant/facility aggregate nameplate rating greater than 75 MVA.
- I3 - Blackstart Resources identified in the Transmission Operator’s restoration plan
- I4 - Dispersed power producing resources that aggregate to a total capacity greater than 75 MVA (gross nameplate rating), and that are connected through a system designed primarily for delivering such capacity to a common point of connection at a voltage of 100 kV or above. Thus, the facilities designated as BES are: a) The individual resources, and b) The system designed primarily for delivering capacity from the point where those resources aggregate to greater than 75 MVA to a common point of connection at a voltage of 100 kV or above.
- I5 –Static or dynamic devices (excluding generators) dedicated to supplying or absorbing Reactive Power that are connected at 100 kV or higher, or through a dedicated transformer with a high-side voltage of 100 kV or higher, or through a transformer that is designated in Inclusion I1 unless excluded by application of Exclusion E4.

Bulk Electric System (BES) Cyber Asset

A Cyber Asset that if rendered unavailable, degraded, or misused would, within 15 minutes of its required operation, misoperation, or non-operation, adversely impact one or more Facilities, systems, or equipment, which, if destroyed, degraded, or otherwise rendered unavailable when needed, would affect the reliable operation of the Bulk Electric System. Redundancy of affected Facilities, systems, and equipment shall not be considered when determining adverse impact. Each BES Cyber Asset is included in one or more BES Cyber Systems.



APPENDIX “H”
BACKGROUND CHECK/IDENTITY VERIFICATION BY CONTRACTOR/VENDOR

Contractor Name: Siemens Industry, Inc. Date: _____

Contract Number: 130-12168A Procurement Officer: Emilie DeLong

Project Manager: Jesus Lopez

In accordance with NERC Reliability Standards CIP 002-011, we are providing Public Utility District No. 2 of Grant County, Washington certification of background checks performed on personnel who will require authorized Unescorted Physical Access and/or Electronic Access to District High or Medium Impact BES Cyber Systems, and their associated EACMS and PACS.

Accordingly, we certify that:

1. A background check has been conducted on the following employee(s) that includes a seven year criminal history records check, a current residence check and a residence check at other locations where, during the seven years immediately prior to the date of the criminal history records check, the employee has resided for six consecutive months or more; and the assessment of the employee is consistent with the safe and efficient performance of the services and meets the minimum standard for criminal checks as set forth by the attached Evaluation Criteria.

2. Employment eligibility identity verification has been completed to ensure employee is legally permitted to work in the United States. (Citizenship, Federal I-9 form verification)

Employee Name	Background Check Completion Date	Indicate Pass (P) or Fail (F)	Identity Verification Completion Date	PRA Completion Date (District use only)

(Do not send actual background check documents)

Name of company where background check was performed: _____

Certified by: _____

Title: _____

Phone No.: _____

Email: _____

Return this form to: CIPDocuments@gcpud.org

*****Access will not be granted until this Background Check has been completed and training taken*****

These are sub-sections of the “Grant County PUD Personnel Risk Assessment Program” relevant to Vendor(s) and/or Contractor(s). For the complete program please contact rcstaff@gcpud.org

Evaluation Criteria:

Contractors with physical or electronic access to District High or Medium Impact BES Cyber Systems and their associated EACMS and PACS, shall certify a background check was met using the following criteria:

Whether the individual has ever been convicted of any of the following FELONIES:

- Murder
- Kidnapping
- Manslaughter
- Fraud, theft, and/or robbery
- Criminal sexual conduct
- Arson

Whether the individual has ever been convicted of the following MISDEMEANORS:

- Violence related
- Honesty related

Whether the individual has ever been convicted of a single misdemeanor, other than minor traffic offenses, which are generally defined as traffic offenses that did not involve property damage and/or personal injury.

Individual is not currently awaiting adjudication on any criminal charge other than minor traffic offenses, which, again, are generally defined as traffic offenses that did not involve property damage and/or personal injury.

In the event the individual has been convicted of a felony or misdemeanor, the Contractor shall not assign such individual to a District location without first discussing such conviction with the District and obtaining the approval of the District’s PRA Committee for such assignment in accordance with the District’s Personnel Risk Assessment Program. The District reserves the right to refuse the assignment of an individual who does not pass the above Evaluation Criteria after review and consideration of the extenuating circumstances by the District’s PRA Committee.

FOR GRANT PUD USE ONLY

If Background Check failed enter date of PRA Committee Review: _____ Pass ___ Fail ___
(Check one)

Signature of PRA Committee member: _____

APPENDIX "I"
CONTRACTOR SAFETY REQUEST FOR INFORMATION



Contractor Safety Request for Info

Contractor Company Name:		Prepared By:	
Address:		Title:	
		Phone #:	
		Date:	

Years in business under current company name: _____

PRINCIPAL BUSINESS ACTIVITY:

- | | | |
|--|--|---|
| <input type="checkbox"/> Blasting/Painting | <input type="checkbox"/> Instrumentation | <input type="checkbox"/> Machining |
| <input type="checkbox"/> Cranes | <input type="checkbox"/> Lead/Asbestos Abatement | <input type="checkbox"/> Welding/Piping |
| <input type="checkbox"/> Excavation | <input type="checkbox"/> Cement Work | <input type="checkbox"/> Electrical |
| <input type="checkbox"/> Heavy Transport | <input type="checkbox"/> Drilling | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Labor Service | <input type="checkbox"/> General Construction | |
| <input type="checkbox"/> Scaffold | <input type="checkbox"/> Hydro-Blasting/Cleaning | |

EXPERIENCE MODIFICATION RATE:

Provide the following health, safety, and environmental (HSE)-related information:

List your company's interstate or intrastate (if applicable) Experience Modification Rate (EMR) for the three (3) most recent years, as evidenced in workers' compensation insurance premiums:

Last Year: _____ 2-Years Ago: _____ 3-Years Ago: _____

Higher rates may require a corrective action plan for your company. Provide a copy of the letter from your insurance broker or insurance company evidencing the rate for the last 3 years.

- Check this box if your company has less than the minimum number of employees required by law to carry workers' compensation insurance or if your company does

not have an EMR. (If checked, provide a letter from your insurance company stating this.)

Fill in the following information for the last three available years (use your OSHA 300 Logs)		Last Year	2-Yrs Ago	3-Yrs Ago
(A)	Number of fatalities each year			
(B)	Number of lost workday/restricted activity each year			
(C)	Recordable injury cases each year			
(D)	Total hours each year (do not include non-work time, even though paid)			
(E)	Injury incident rate = <u>NO. OF RECORDABLE INJURIES x 200,000</u> <u>TOTAL HOURS FOR YEAR</u>			

If your company experienced a work-related fatality during this period, provide a brief description of the causes and corrective actions taken. N/A

Has Washington State Labor & Industries, OSHA, EPA, or other State or Federal enforcement agency(s) cited and assessed penalties against your company for any “serious,” “willful” or “repeat” violations in the past five years? Yes No

If “yes,” attach a separate page describing the citations, including information about the dates of the citations, the nature of the violation, the project on which the citation(s) was or were issued, the amount of penalty paid, if any. If the citation was appealed to the agency Appeals Board and a decision has been issued, state the case number and the date of the decision.

NOTE: If you have filed an appeal of a citation and the agency appeals Board has not yet ruled on your appeal, or if there is a court appeal pending, you need not include information about the citation.

Does your company have a written HSE program?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, attach a copy or a summary of your program, including HSE policy you may have.		
Have an orientation program for new hires?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Have training program for newly hired/promoted foremen and supervisors?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you hold workplace HSE meetings for supervisors?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, how often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Do you hold employee “toolbox” HSE meetings?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, how often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Do you conduct pre-task HSE planning meetings with employees?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

If yes, briefly describe the program format and/or attach a copy.

Do you conduct workplace HSE inspections?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, who conducts this inspection? How often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Is the company a member of any external HSE program that awards certificates of recognition?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, list certificates of recognition your company has received within the past 3 years:		

Indicate elements included in your overall HSE program		HSE Program	New Hire Training	Supervisor/Foreman Training
<input type="checkbox"/>	Corporate HSE Policy			
<input type="checkbox"/>	HSE Workplace Committee			
<input type="checkbox"/>	HSE Inspections and Audits			
<input type="checkbox"/>	Personal Protective Equipment			
<input type="checkbox"/>	Hazard Assessment and Communication			
<input type="checkbox"/>	Task Assignment Training			
<input type="checkbox"/>	Respiratory Protection			
<input type="checkbox"/>	Fall Protection			
<input type="checkbox"/>	Scaffolding and Ladders			
<input type="checkbox"/>	Perimeter Guarding			
<input type="checkbox"/>	Housekeeping			
<input type="checkbox"/>	Fire Protection/Prevention			
<input type="checkbox"/>	First- Aid Procedures/Facilities			
<input type="checkbox"/>	Emergency Procedures			
<input type="checkbox"/>	Toxic Substances/Hazard Communication			
<input type="checkbox"/>	Trenching and Excavation			
<input type="checkbox"/>	Signs, Barricades, and Flagging			
<input type="checkbox"/>	Electrical Safety			
<input type="checkbox"/>	Rigging and Crane Safety			
<input type="checkbox"/>	Safe Work Practices			
<input type="checkbox"/>	Safety Supervision			
<input type="checkbox"/>	Toolbox/Workplace HSE Meetings			
<input type="checkbox"/>	Incident Investigation/Reporting			
<input type="checkbox"/>	Abrasive Blasting Safety			

	Substance Abuse			
	Vehicle Safety			
	Use of Compressed Gas Cylinders			
	Welding/Cutting			
	Medical Evaluation			
	Blood borne Pathogens			
	Employee Discipline			
	High-Pressure Water Cleaning			
	Hot Taps			
	Noise/Hearing Conservation			
	Heat/Cold stress			
	Incentives/Awards for HSE Achievements			
	Spill Prevention/Response			
	Dust Suppression			
	Wastewater/Storm Water Management			
	Hazardous Waste and Solid Waste Management			
	Equipment Emissions			
	Wetlands/Sensitive Habitats			

THIS INFORMATION MUST BE FURNISHED TO GRANT PUD PRIOR TO THE BIDDING OF ANY CONTRACT OR ONSITE LABOR

For further information or assistance in meeting these requirements, please contact the designated Grant PUD District Representative.

REVIEW/APPROVAL SIGNATURES
GRANT PUD USE ONLY

<p style="text-align: center;">REQUIRED SIGNATURE</p> <p>SAFETY: _____ DATE _____</p> <p>DISTRICT REP. _____ DATE _____</p>	<p style="text-align: center;"> <input type="checkbox"/> RECEIVED <input type="checkbox"/> FURTHER REVIEW </p>
---	---

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement, effective upon full execution, is by and between Public Utility District No. 2 of Grant County, Washington (“District”) and S&C Electric Company (“Contractor”);

R e c i t a l s :

The District desires to obtain Professional Engineering Services; and

The District's Managing Director of Power Delivery believes this Professional Engineering Services are required to meet system studies and analysis needs that are above and beyond the ability of the District to perform with existing staff levels; and

The Contractor, through an established review procedure as specified by RCW Chapter 39.80, has been selected and is willing to provide services on the terms and conditions hereinafter stated.

NOW, THEREFORE, in consideration of the mutual covenants herein, the parties hereto agree as follows:

1. Scope of Services

Contractor shall provide the District with engineering services associated with system studies and analysis as identified in accordance with Appendix “B”, Scope of Services Requirements.

Engineering services provided under this Agreement may include, but are not limited to, the tasks listed in Appendix “A”.

The District will authorize the Contractor to perform specific tasks by means of a Task Authorization for Professional Services (Appendix “E”) to be signed by both the District and the Contractor. Such authorization may be issued by the District Representative. The authorization will define the scope of the task, any time requirements and budget limitations.

The District makes no guarantee as to the actual amount of work to be done. The District reserves the right to suspend or terminate any authorized task at any time or to extend the Contract beyond the initial term by issuance of a Change Order in accordance with Section 5 to complete any work already initiated and/or authorized under the original term and scope of the Contract.

2. Independent Contractor

A. The Contractor shall operate as, and have the status of, an independent Contractor and will not be an agent or employee of the District nor will it be entitled to any employee benefits provided by the District. All the Contractor’s activities will be conducted at its own risk and be in compliance with all federal, state and local laws.

B. The Contractor shall perform its services with the level of skill, care and diligence normally provided by and expected of professional persons performing services similar to or like those to be performed hereunder. Contractor understands that the District will be relying upon the accuracy, competency, credibility and completeness of the services provided by the Contractor hereunder and that the District and its customers will be utilizing the results of such services.

3. Term - Schedule

This Agreement shall remain in full force and effect until December 30, 2025 or until terminated pursuant to Section 17.

4. Compensation and Payment

A. Compensation for services rendered and all reimbursable costs shall be per the rates set forth in Appendix "C", Rate Schedule, which rates and costs shall not be subject to change until two years after the effective date of this Agreement. Any changes to rates and costs shall only be on a prospective basis and shall occur no more frequently than once every 12 months thereafter. Each such change shall not exceed the lesser of i.) 5% or ii.) the percentage increase in the Bureau of Labor Statistics Consumer Price Index (CPI-U) for the West Urban region occurring during the immediately preceding 12 month period for which CPI-U data is available. Contractor shall notify the District in writing at least 30 days prior to any such rate increase going into effect. In no event however, shall the total amount paid to Contractor for services and all reimbursable costs exceed the sum of \$750,000.00 USD unless a Change Order authorizing the same is issued in accordance with Section 5 below.

B. Contractor shall submit monthly invoices to the attention of:

Public Utility District No. 2
of Grant County, Washington
Attn: Accounts Payable
PO Box 878
Ephrata, WA 98823
Or AccountsPayable@gcpud.org

C. Invoices shall include the Contract number and a detailed description of the work performed. Any Labor Categories or reimbursable expenses shall be included on the invoice (see Appendix "C").

D. Payment will be made by the District following District's receipt of Contractor's invoices. Invoice shall be subject to the review and approval of the District. Invoice shall be in a detailed and clear manner supported by such information the District may require. The District will make payment to Contractor within 30 days after District's receipt of said invoice. Contractor understands and agrees that by executing this Contract with the District, the District shall make payment(s) by automated clearing house (ACH).

E. The District Representative may approve additional Contractor employees, personnel categories, and/or equipment rates to be added to the Rate Schedule, if applicable, provided that any additional employees have at least equivalent training and skills and are compensated at the same or lower rates than those listed on the current approved Rate Schedule for similar work. There shall be no change in the total Contract not to exceed amount. All additions must be approved in writing prior to performing services under the Contract.

5. Change Orders

Except as provided herein, no official, employee, agent or representative of the District is authorized to approve any change in this Contract and it shall be the responsibility of the Contractor before proceeding with any change, to satisfy itself that the execution of the written Change Order has been properly authorized on behalf of the District. The District's management has limited authority to approve Change Orders. The current level and limitations of such authority are set forth in District Resolution No. 8609 which may be amended from time to time. Otherwise, only the District's Board of Commissioners may approve changes to this Contract.

Charges or credits for the work covered by the approved changes shall be determined by written agreement of the parties and shall be made on Change Order form as reflected on Appendix "D".

When a change is ordered by the District and agreed by the Contractor, as provided herein, a Change Order shall be executed by the District and the Contractor before any Change Order work is performed. When requested, Contractor shall provide a detailed proposal for evaluation by the District, including details on proposed cost. The District shall not be liable for any payment to Contractor, or claims arising there from, for Change Order work which is not first authorized in writing. All terms and conditions contained in the Contract Documents shall be applicable to Change Order work. Change Orders shall be issued on the form attached as Appendix "D" and shall specify any change in time required for completion of the work caused by the Change Order and, to the extent applicable, the amount of any increase or decrease in the Contract Price.

6. Taxes

- A. Except for the Washington State retail sales and use taxes as may be levied upon the Contract, pursuant to RCW Chapters 82.08 and 82.12, the Contract Price includes and the Contractor shall have the full exclusive liability for the payment of all taxes, levies, duties and assessments of every nature due and payable in connection with this Contract or its employees and subcontractors performing work related to this Contract.
- B. Washington State retail sales tax and use taxes levied upon this Contract pursuant to RCW Chapters 82.08 and 82.12 are excluded from the rates and if applicable will be reimbursed as follows:
 - 1. If the Contractor has, or is required to have a valid Washington State sales tax identification number, the identification number shall be furnished to the District upon request. The Contractor shall make payment of any Washington State retail sales and use taxes due and Contractor shall be reimbursed by the District for the same. Contractor shall be solely responsible for any interest or penalties arising from late or untimely payment of said taxes.
 - 2. If the Contractor is not required to have a valid Washington State sales tax identification number, it shall notify the District of the same. In such event, the District, after receiving proper invoices from Contractor, shall make payment of said Washington State retail sales and use taxes levied upon this Contract to the Washington State Department of Revenue.

7. Hold Harmless and Indemnification

To the extent directly attributable to the Contractor, Contractor shall, at its sole expense, indemnify, defend, save, and hold harmless the District, its officers, agents, and employees from all actual or potential claims or direct losses, including costs and legal fees at trial and on appeal, and direct

damages or claims for direct damages to property or persons, suffered by anyone whomsoever, including the District, to the extent directly caused by any negligent act of or omission of the Contractor or its subcontractors, excluding damages caused by the negligence of the District, in the administration or performance of this Agreement or any subcontracts, and for which either of the parties, their officers, agents, or employees may or shall be liable. In situations where liability for damages arises from claims of bodily injury to persons or damage to property, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Contractor or its subcontractors. Contractor waives its immunity under industrial insurance, Title 51 RCW, to the extent necessary to effectuate this indemnification/hold harmless agreement. Contractor's indemnification obligation shall not apply to liability for damages arising out of bodily injury to a person or damage to property caused by the negligence of the District or its agents or employees and not attributable to any act or omission on the part of the Contractor. In the event of damages to a person or property caused by or resulting from the concurrent negligence of District or its agents or employees and the Contractor or its agents or employees, the Contractor's indemnity obligation shall apply only to the extent of the Contractor's (including that of its agents and employees) negligence. The Contractor shall not be liable for any lost profits or indirect, incidental, consequential, or special damages, even if the Contractor has been notified that those kinds of damages may occur. In no event shall the Contractor's total liability hereunder exceed an amount equal to the value of this Agreement provided that this total liability shall not apply to damages covered by Contractor's insurance coverages as required in Section 8.

Contractor acknowledges that by entering into this Contract with the District, it has mutually negotiated the above indemnity and limitation of liability provisions with the District. Contractor's liability, indemnity and defense obligations shall survive the termination or completion of the Contract and shall remain in full force and effect until satisfied in full.

8. 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 **limits**:

- e. \$1,000,000 Each Occurrence
- f. \$1,000,000 Personal Injury Liability
- g. \$2,000,000 General Aggregate
- 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.

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 **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.

4. **Excess Insurance:** Excess (or Umbrella) Liability insurance with a **limit of \$5,000,000 per occurrence and in the aggregate**. This insurance shall provide coverage in excess of the underlying primary liability limits, terms, and conditions for each category of liability insurance in the foregoing subsections 1, 2 (Employer's Liability only) and 3.

Umbrella/Excess 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.

5. **Professional Liability/Network Security Insurance:** Contractor shall obtain professional errors and omissions liability insurance in an amount of **\$5,000,000 per claim and in the aggregate**. Coverage shall respond to wrongful acts in the rendering of, or failure to render, professional services under this Agreement, electronic data losses or damage or breaches of electronic data security including disclosures of private or Protected Information of the District or any employee, participant or beneficiary of the Services provided by Contractor pursuant to this

contract. The Professional Liability Insurance retroactive coverage date shall be no later than the effective date of this agreement. Contractor shall continuously maintain such insurance or purchase an extended reporting period providing that claims first made and reported to the insurance company within two years after termination of the Agreement will be deemed to have been made during the policy period.

If Contractor shall hire subcontractor for all operations and risk involving professional network services exposure, this requirement may be satisfied by subcontractor's policies. Contractor shall impute the insurance requirements stated in this section to subcontractor by written contract or written agreement. Any exceptions must be mutually agreed in writing with 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 endorsements 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 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.

9. Assignment

Neither party may assign this Agreement, in whole or in part, voluntarily or by operation of law, unless approved in writing by the other party.

10. Records - Audit

- A. The results of all work and services performed by the Contractor hereunder shall become the property of the District upon full and complete payment to the Contractor.
- B. Until the expiration of two years after the Contractor's completion of all the work, Contractor shall keep and maintain complete and accurate records of its costs and expenses related to the work or this Contract in accordance with sound and generally accepted accounting principles applied on a consistent basis. To the extent this Contract provided for compensation on a cost-reimbursable basis or whenever such records may, in the opinion of the District, be useful in determining any amounts payable to Contractor or District (e.g., the nature of a refund, credit or otherwise), Contractor shall provide District reasonable access to all such records for examination, copying and audit at the District's sole cost and expense and at a mutually agreed time and place.

11. Nondisclosure

Contractor agrees that it will not divulge to third parties, without the written consent of the District, any confidential information obtained from or through District in connection with the performance of this Contract. Contractor further agrees that it will not, without the prior written consent of District, disclose to any third party any information developed or obtained by the Contractor in the performance of this Contract and, if requested by District, will execute a nondisclosure agreement in the for included herein as Appendix "F" prior to performing any services under this Contract. Nothing in this section shall apply to:

- A. Information which is already in the Contractor's possession not subject to any existing confidentiality provisions,
- B. Information which, at the time of disclosure, is in the public domain by having been printed and published and available to the public libraries or other public places where such data is usually collected, and
- C. Information required to be disclosed by court order or by an agency with appropriate jurisdiction.

12. Public Records Act

The District is subject to the disclosure obligations of the Washington Public Records Act of RCW 42.56. The Contractor expressly acknowledges and agrees that any information Contractor submits is subject to public disclosure pursuant to the Public Records Act or other applicable law and the District may disclose Contractor's proposal and/or information at its sole discretion in accordance with its obligations under applicable law.

13. Applicable Law

Contractor shall comply with all applicable federal, state and local laws and regulations including amendments and changes as they occur. All written instruments, agreements, specifications and other writing of whatsoever nature which relate to or are a part of this Agreement shall be construed,

for all purposes, solely and exclusively in accordance and pursuant to the laws of the State of Washington. The rights and obligations of the District and Contractor shall be governed by the laws of the State of Washington. Venue of any action filed to enforce or interpret the provisions of this Agreement shall be exclusively in the Superior Court, County of Grant, State of Washington or the Federal District Court for the Eastern District of Washington at the District's sole option. In the event of litigation to enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable legal fees in addition to any other relief allowed.

14. Subcontracts/Purchases

The Contractor is not authorized to enter into any subcontracts or make any purchases of materials or equipment.

15. Notices

Any notice or other communication under this Contract 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.

District

Jesus Lopez
Public Utility District No. 2
of Grant County, Washington
PO Box 878
154 A Street SE
Ephrata, WA 98823
(509) 754-1496
Jlopez@gcpud.org

Contractor

Eric Wagner
S&C Electric Company
6601 N Ridge Blvd
Chicago, Illinois 60626
(773) 338-1000
Eric.wagner@sandc.com

For purposes of technical communications and work coordination only, the District designates Jesus Lopez as its representative. Said individual shall have no authority to authorize any activity which will result in any change in the amount payable to Contractor. Such changes, if any, must be by written Change Order issued in accordance with Section 5 to be valid and binding on the District.

16. Ownership of Work Product/Copyright

- A. All rights in the various work produced for or under this Agreement, including but not limited to study plans, results, drafts, charts, graphs, videos, summaries and any other forms of presentation, collectively referred to as "Work Product" shall belong to and be the exclusive property of the District upon full and complete payment to the Contractor. Contractor shall not use the Work Product outside the scope of this Contract without express written permission from the District.
- B. Contractor acknowledges and agrees that all services/work are specifically ordered under an agreement with Public Utility District No. 2 of Grant County, Washington, and shall be considered "work made for hire" and "Work Product" for purposes of copyright. All copyright interest in Work Product shall belong to and be the exclusive property of the District.

- C. Contractor shall attach and require each of its subcontractors to attach the following statement to all Work Product:

©. PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON. ALL RIGHTS RESERVED UNDER U.S. AND FOREIGN LAW, TREATIES AND CONVENTIONS.

THE ATTACHED WORK WAS SPECIFICALLY ORDERED UNDER AN AGREEMENT WITH PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON. ALL RIGHTS IN THE VARIOUS WORK PRODUCED FOR OR UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO STUDY PLANS AND STUDY RESULTS, DRAFTS, CHARTS, GRAPHS AND OTHER FORMS OF PRESENTATION, SUMMARIES AND FINAL WORK PRODUCTS, ARE THE EXCLUSIVE PROPERTY OF THE DISTRICT.

- D. Upon full and complete payment to Contractor, Contractor shall immediately turn over to the District all Work Product. This does not prevent the Contractor from making a file copy for their records.

17. Termination

- A. District may, at any time, for any reason, terminate Contractor's services in connection with this Agreement, or any part thereof, by designating that portion of the services to be terminated. In case of termination pursuant to this Section A, District will make payment at the rates specified in this Agreement for services properly performed up to the date of termination and for all reasonable cancellation charges incurred as a direct result of such termination. However, in no event shall Contractor be entitled to any other payment to or any anticipated fee or profit on unperformed work.
- B. In the event of Contractor's breach or abandonment of this Contract, the District may with reasonable written notice, terminate this Agreement, provided Contractor is afforded a reasonable opportunity to cure the alleged breach and fails to do so within a reasonable period of time.

18. Non-Waiver

No waiver of any provision of this Agreement, or any rights or obligations of either Party under this Agreement, shall be effective, except pursuant to a written instrument signed by the Party or Parties waiving compliance, and any such waiver shall be effective only in the specific instance and for the specific purpose stated in such writing. The failure of either Party to require the performance of any term of this Agreement or the waiver of either Party of any breach under this Agreement shall not operate or be construed as a waiver of any other provision hereof, nor shall it be construed as a waiver of any subsequent breach by the other Party hereto.

19. Physical Security

If any performance under this Contract is to be conducted on District facilities or worksites, it shall be the responsibility of the Contractor to ensure that its employees and those of its Subcontractors are informed of and abide by the District's Security Policies as if fully set out herein a copy of which shall be provided to the Contractor by the District Representative at the preconstruction meeting or

prior to beginning work. Without limiting the foregoing, Contractor and its employees shall be required to:

- A. Keep all external gates and doors locked at all times and interior doors as directed.
- B. Visibly display ID badges on their person at all times.
- C. Stay out of unauthorized areas or in authorized areas outside of authorized work hours, without express authorization from the District.
- D. Provide proper notification to the appropriate parties, and sign in and out upon entry and exit to secured locations. If unsure of who to notify, Contractor shall contact the District Representative.
- E. Immediately notify the District if any of Contractor's employees no longer need access or have left the Contractor's employment.
- F. Immediately report any lost or missing access device to the District Representative. A minimum charge will be assessed to the Contractor in the amount of \$50.00 per badge and the fee for lost or non-returned keys may include the cost to re-key the plant facilities. The Contractor is strictly prohibited from making copies of keys.
- G. Not permit 'tailgating' through any controlled access point (i.e. person(s), authorized or unauthorized, following an authorized person through an entry point without individual use of their issued ID badge or key).
- H. Return all District property, including but not limited to keys and badges, to the District Representative when an individual's access to the facility is no longer needed.
- I. Guest Wireless: The District provides Guest Wireless Internet access to contractors and vendors that need to conduct business in support of the District from personally owned mobile devices such as laptops and smart phones. Contractor personnel are responsible for exercising good judgment regarding appropriate use of information, electronic devices, and network resources.

The Contractor and any Subcontractors shall comply with the safety requirements of these Contract Documents and all District policies pertaining to COVID-19 located at <https://www.grantpud.org/for-contractors>.

20. Security, Safety Awareness Training, Dam Safety Awareness Training, and Transmission and Distribution Access Training

Prior to receiving access to any District facilities, all Contractors, Contractor's employees, subcontractors and subcontractor's employees, material suppliers and material supplier's employees, or any person who will be engaged in the work under this Contract that requires access to District facilities, shall be required to take and pass the District's Security and Safety Awareness training before being issued a security access badge to access District facilities. Under no circumstances will the failure of any Contractor or subcontractor employee to pass the required training, be grounds for any claim for delay or additional compensation.

The Safety and Security Awareness training is available online and is a 20-30 minute training. The training is located at: <https://www.grantpud.org/for-contractors>. All contractors and their employees are required to successfully complete Safety and Security Awareness training before coming onsite. The Security and Safety certificates should be emailed directly to SecurityTrainingCerts@gcpud.org.

District Representative shall ensure that Contractor's employees, subcontractor's and subcontractor's employees have completed and submitted the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted before any security access badges will be issued.

If applicable, Dam Safety Awareness Training is required for Contractors who are performing work in and around Priest Rapids and Wanapum Dams and are badged. The training is available online only and is a 20-30 minute training. Contractor shall ensure that its employees, Subcontractors and Subcontractor's employees have completed, passed and printed the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted to the District Representative before any security access badges will be issued.

If applicable, Transmission and Distribution Access Training is required for Contractors, or their Subcontractors, who may hold a clearance or hotline hold order as part of performance of work under this Contract. The training is available online only and is a 20-30 minute training. Contractor shall ensure that its employees, Subcontractors and Subcontractor's employees have completed, passed and printed the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted to the District Representative before any security access badges will be issued.

If you are uncertain which of the above courses you or your employees must complete, please contact your District Representative.

21. Protected Information

The State of Washington, Federal Energy Regulatory Commission (FERC) and/or North American Reliability Corporation (NERC) has established regulations for the protection of sensitive plans, drawings and records defined as Security Sensitive Information (SSI), Critical Energy Infrastructure Information (CEII) and/or Bulk Electric System Cyber System Information (BCSI), reference Appendix "G". In accordance with the Revised Code of Washington (RCW), FERC and NERC regulations, and using them as guidance, the District has identified and designated certain information as SSI, CEII, and/or BCSI (hereinafter referred to collectively as "Protected Information"). Because of the sensitive nature of certain District Protected Information that could be used in this Contract, Contractor is bound by the terms and conditions set forth in the Non-Disclosure Agreement (NDA) previously executed with the District during the proposal process and included as Appendix "F".

22. Background Checks

The District reserves the right to conduct or to require Contractor to conduct criminal background checks on its employee(s) before the District will grant such individuals access to secure areas of District facilities or electronic access to Bulk Electric System Cyber Assets or Protected Information. Criminal background checks may be conducted in such depth as the District reasonably determines to be necessary or appropriate for the type of access to be granted.

In the event the District determines in its reasonable discretion that an individual is unsatisfactory to the District or fails to provide a background check as requested by the District, the District reserves the right to require the Contractor to remove such individual from the job site and/or to exclude such individual from having any access to SSI, Bulk Electric System Cyber Assets, CEII, or BCSI.

23. Qualification of Contractor’s Access and Personnel Change Approval

The District reserves the right to deny any Contractor or employee thereof access to District facilities or Protected Information at the District’s sole discretion. The District will be the sole judge of such effect. All Contractors and employees thereof shall be subject to the nondisclosure provisions of this Contract.

The District reserves the right to conduct or to require Contractor to conduct criminal background checks, provide an identity validation document (I-9, Social Security card, driver’s license) and complete the District provided training for its employee(s) before the District will grant such individuals access to secure areas of District facilities. Criminal background checks may be conducted in such depth as the District reasonably determines to be necessary or appropriate for the type of access to be granted. Contractor shall execute one certification for each employee requiring a background check on the form provided by the District and attached hereto as Appendix “H”. The cost of such background checks shall be borne by the Contractor. For access to Protected Information relating to Critical Infrastructure Protection, the District reserves the right to require a Non-Disclosure Agreement and a certificate of completion from the District-provided training for each employee before the District will grant access to such individuals.

In the event the District determines in its sole discretion that an individual or Contractor is unsatisfactory or fails to provide a background check as requested by the District, or fails to provide the information listed above, the District reserves the right to exclude such individual or Contractor from secure areas and/or from having any access to Protected Information.

24. Contractor Safety Requirements

The following applies if Contractor, or any of its sub-consultants, subcontractors, or suppliers of any tier, performs any activities on premises owned, leased, possessed, or controlled by the District. The Contractor Safety Requirements shall be required when applicable as determined by the District Representative based upon the scope of work. To the extent applicable, the Contractor shall ensure that all workers, sub-consultants, subcontractors, and suppliers comply with these requirements. In fulfilling these requirements, the Contractor shall also comply with material and equipment manufacturer instructions, and safety and health requirements in accordance with WAC 296-126-094 and this Agreement where applicable. If there are conflicts between any of the requirements referenced in the Contract Documents, the more stringent requirement shall prevail.

A. Office Work: Contractor personnel who perform work in an office environment at premises owned, leased, possessed, or controlled by the District shall be required to follow at a minimum the following safety and security requirements. This work includes but is not limited to professional services and consulting, technology-related tasks, and training services. Work activities may include working at a desk, attending meetings, touring facilities, and similar activities.

1. Access: The Security Department administers physical access to District facilities. Contractor personnel shall be issued an ID badge or visitor badge to provide access

to work areas as needed per Sections 19 and 20. Workers without authorized access to an area must be escorted at all times. Any person with authorized access may serve as an escort.

- 2. Emergency Preparedness: All Contractor personnel, when entering a facility or work area, shall determine the locations of emergency exits, fire extinguishers, first aid kits, AED, and gathering points in case of evacuation.
- 3. Housekeeping: Contractor personnel shall keep desks, cubicles, meeting rooms, and all other working areas free from clutter and tripping hazards. Work areas shall be cleaned after use according to applicable guidelines posted by the District in such work areas.

IN WITNESS WHEREOF, the Contractor and the District have executed this Agreement each by its proper respective officers and officials thereunto duly authorized the day and year first above written.

Public Utility District No. 2
of Grant County, Washington

S&C Electric Company

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX “A”

POTENTIAL TASK LISTING – “Master Agreement” for Professional Engineering Services

Transmission and Distribution Planning Analysis:

- Long range transmission planning analysis
- Load interconnection studies
- Generation siting and interconnection studies
- Transfer Capability Analysis
- NERC Compliance Analysis
- Dynamic system modeling and validation
- Reliability Analysis
- Transmission Sensitivity Studies
- Transmission System Impact Analysis
- Optimal Power Flow Analysis
- Voltage Stability Analysis
- Transient Stability Analysis
- Electromagnetic Field and Corona
- Arc Flash Hazard Analysis
- Reactive Power Compensation
- Short Circuit Studies
- Distribution long/short range plan
- Motor Start and Inrush current Analysis
- Duct bank ampacity study
- Protection Coordination Analysis
- Power Quality Analysis
- Structure aging and cost analysis
- Other tasks as identified and approved

APPENDIX "B"
SCOPE OF SERVICES REQUIREMENTS

A. ENGINEERING AND TRANSMISSION SYSTEM STUDIES

Products required shall include as a minimum:

1. Obtain models and verify initial conditions.
2. Perform studies as required.
3. Prepare and submit reports.

B. Provide the required number of hard and electronic copies of the reports, recommendations, and presentations as may be required while administering projects.

C. CONTRACTOR EQUIPMENT

It is assumed that the Contractor has the following, as a minimum set of engineering tools and equipment, when in the field and the costs of these shall be included by Contractor overheads **(individual billings for these items will not be allowed)**:

Cellular phones

Digital cameras

Laptops, iPads, Tablets, Desktops, including any and all computers, disks, printers, storage media, and other computing hardware

D. SOFTWARE

The Contractor shall provide all drawings, reports and construction packages in District standard computer format. The Contractor will provide their own copies of said software packages, unless the package is proprietary to the District. These packages include, but are not limited to:

Microsoft® Project

Microsoft® Word

Microsoft® Excel

PowerWorld Simulator with the add on features such as PV/QV tools, Available Transfer Capability, and Transient Stability

Aspen OneLiner, Aspen constants

Synergi Electric

The Contractor shall maintain the same version of applicable software concurrent with the District.

E. INTERNET

The Contractor shall have an Internet e-mail account for the purposes of electronic file transfers and routine communications with the District. This shall not eliminate the need for hard copy documentation.

F. TELEPHONE

The District will not be responsible for local, long distance, cell phone or other telephone charges. These expenses are considered an overhead expense and included in the hourly rate.

G. COMPUTER TIME

The District will not be responsible for computer time or use of software service fees. These expenses are considered an overhead expense and included in the hourly rate.

H. EQUIPMENT AND SOFTWARE

The equipment, tools, software, etc., in Appendix B Sections C, D, E, F, & G shall be included in hourly rate overhead as an operating expense.

**APPENDIX “C”
RATE SCHEDULE**

DIRECT EXPENSES:

Rates are stated in US Dollars.

Engineer's Classification Code	Billing Rate Job Description	Billing Rate/hr	Classification
A	Project Manager III	\$250.00	Project management
B	Project Manager II	\$250.00	Project management
C	Project Manager I	\$225.00	Project management
D	Clerical	\$200.00	Word processing, Data Entry
E	Engineer V	\$320.00	Detail design and studies
F	Engineer IV	\$280.00	Detail design and studies
G	Engineer III	\$240.00	Detail design and studies
H	Engineer II	\$200.00	Detail design and studies
I	Engineer I	\$180.00	Detail design and studies

Fixed hourly billing rates shall be in US Dollars and include all i) payroll, payroll taxes and fringe benefits; ii) all reproduction and printing costs including electronic media; iii) communications costs including all phones, faxes, internet, postage, shipping, delivery, couriers; iv) computer and computer time, software or service fees, cameras, tablets, printers, scanners, office machines and related costs of operations including consumables; v) insurance costs; vi) indirect and overhead burden; and vii) profit.

The Engineer’s Classification Code is the maximum personnel rate that can be charged for the classification of work to be done. For example: data entry into any of the District’s computer systems will not be paid at a rate exceeding that of a CLASSIFICATION CODE “D”.

REIMBURSABLE EXPENSES:

Reimbursable expenses are those reasonable and necessary costs incurred on or directly for the District’s project, including necessary transportation costs, meals and lodging. Any actual expenses in non-US dollars will be converted using the conversion tables at www.x-rates.com for the applicable period. Reimbursement will be subject to the following limitations:

Meals and Incidental Expenses: Meals and incidental expenses will be limited to the Federal Per Diem rate for meals and incidentals established for the location where lodging is obtained. The current rate for all Grant County locations is \$59.00 per day. Federal Per Diem guidelines which includes the meal breakdown and Federal Per Diem rates for other locations can be found at www.gsa.gov.

Lodging: Lodging will be billed at cost, including applicable taxes, not to exceed 200% of the Federal Per Diem maximum lodging rate for the location where the work is being performed. The current federal maximum lodging rate for all Grant County locations is \$107.00. The District Representative may increase this limit in writing when circumstances require.

Travel: Air travel (at coach class or equivalent), airport shuttles, etc. billed at cost. Ground transportation by privately owned vehicle, if utilized, billed at the Internal Revenue Service mileage rate for privately owned vehicles in effect at the time of travel. Expenses for a rental car, at cost, in the ratio of one mid-size class rental car for each three Contractor’s personnel directly engaged in performance of the work at the prevailing rental rates then in effect. Rental car options such as refueling fees, GPS, collision & liability

insurance, etc. will not be reimbursed by the District unless such options are approved in advance by the District Representative. **Appropriate insurance coverage should be included in the Contractor's insurance policies.**

Other: All other expenses will be based on actual costs and include appropriate documentation.

Reimbursable expenses must be accompanied by receipts for airfare, hotel, and rental car, and any other support documentation as the District may require.

APPENDIX "D"
CHANGE ORDER
NO. __

Pursuant to Section 5, the following changes are hereby incorporated into this Contract:

- A. Description of Change:

- B. Time of Completion: The revised completion date shall be _____.
OR
The completion date shall remain _____.

- C. Contract Price Adjustment: As a result of this Change Order, the not to exceed Contract Price shall remain unchanged (be increased/decreased by the sum of \$_____ 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 \$_____, 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

S&C Electric Company

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

APPENDIX "E"
TASK AUTHORIZATION FOR
PROFESSIONAL SERVICES

Contract No.:	130-12168B	Task Authorization No.:		Amendment No.:	
Project Name:					

The Scope of Services covered by this authorization shall be performed in accordance with all the terms and conditions in the above referenced Contract Documents which are incorporated herein by this reference.

The District hereby requests and authorizes the Contractor to perform the following services:

Sample Only

Compensation is to be paid in accordance with and subject to the limitations in Section 4.A of the Contract Documents. In addition, the total cost of the above described work shall not exceed \$_____ without advance amendment of this Task Authorization by the District.

Public Utility District No. 2
of Grant County, Washington

S&C Electric Company

Approved for District

Accepted by Contractor

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: District Representative

Title: _____

Date: _____

Date: _____

APPENDIX "F"
NON-DISCLOSURE AGREEMENT

This Non-Disclosure Agreement ("NDA") is entered into on the date shown on the signature page between Public Utility District No. 2 of Grant County, Washington ("District"), and _____, ("Contractor"), sometimes collectively referred to as the "Parties."

RECITALS

The District has identified and designated certain information as confidential. For purposes of this Agreement, "Protected Information" includes:

- District customer information protected under RCW 19.29A, Consumers of Electricity;
- District employee information;
- District vendor information;
- All technical and business information or material that has or could have commercial value or other interest in the business or prospective business of the District;
- All information and material provided by the District which is not an open public record subject to disclosure under RCW 42.56, Public Records Act;
- All information of which unauthorized disclosure could be detrimental to the interests of the District or its customers, whether or not such information is identified as Protected Information; and
- Any information identified and designated by the District as Security Sensitive Information (SSI), Critical Energy Infrastructure Information (CEII), and/or Critical Infrastructure Protection (CIP) Protected Information in accordance with the State of Washington, Federal Energy Regulatory Commission (FERC) and/or North American Reliability Corporation (NERC), which have established regulations for the protection of sensitive plans, drawings, and records defined as SSI, CEII, and/or CIP Protected Information. SSI, CEII, and CIP Protected Information are further defined in Appendix "G".

Because of the sensitive nature of such information that may be provided to the Contractor, Contractor must execute and deliver this NDA to the District prior to receiving such Protected Information from the District.

NOW, THEREFORE, the Parties agree as follows:

1. **Incorporation by Reference.** The recitals set forth above are incorporated herein as if fully set forth.
2. **Protected Information Disclosure.** All information and drawings that are disclosed by the District to the Contractor, which are designated as confidential, SSI, CEII, and/or CIP Protected Information, shall be protected hereunder as Protected Information.

3. **Non-Disclosure.** Subject to the provisions of Section 4 and unless the parties agree otherwise, this non-disclosure obligation shall survive the termination of this NDA. Contractor shall not disclose or disseminate Protected Information and shall:
 - A. Restrict disclosure of Protected Information solely to its agents and employees with a need to know and not disclose such Protected Information to any others; and
 - B. Advise and require all of its officers, agents, employees, representatives, prospective and successful subcontractors, consultants and employees thereof with access to the Protected Information to execute an NDA in this same form with the District prior to allowing them access to the Protected Information; and
 - C. Use the Protected Information provided hereunder only for purposes directly related to performance of the work Contract 130-12168B.
 - D. In the event third parties attempt to obtain the Protected Information by legal process, the Contractor agrees that it will not release or disclose any Protected Information until the District has received notice of the legal process and has been given reasonable opportunity to contest such release of information and/or to assert the confidentiality privilege.
4. **Ownership and Return of Protected Information.** All Protected Information shall remain the property of the District. Contractor is responsible for safeguarding and returning all Protected Information or shall certify, by signed, statement delivered to the District, the destruction of all original Protected Information provided along with any copies made by the Contractor. Such delivery shall be to the District, Attention: Emilie DeLong, PO Box 878, Ephrata, WA 98823.
5. **Compliance Audit.** The District may audit Contractor's compliance with this NDA.
6. **Applicable Law.** This NDA is made under, and shall be construed according to, the laws of the State of Washington and the Federal Energy Regulatory Commission regulations. Venue for any action brought pursuant to this NDA shall, at the District's option, be in Grant County Superior Court, Grant County, Washington or in the United States District Court for the Eastern District of Washington.
7. **Assignment.** This NDA may not be assigned.
8. **Violations.** Contractor understands and agrees that the District is providing the Protected Information to Contractor in reliance upon this NDA, and Contractor will be fully responsible to the District for any damages or harm caused to the District by a breach of this NDA by Contractor or any of its officers, directors, agents, employees, subcontractors, consultants or affiliates. Contractor acknowledges and agrees that a breach of any of its promises or agreements contained herein will result in irreparable injury to the District for which there will be no adequate remedy at law, and the District shall be entitled to apply for equitable relief, including injunction and specific performance, in the event of any breach or threatened breach or intended breach of this NDA by Contractor. Such remedies, however, shall not be deemed to be the exclusive remedies for any breach of the Agreement but shall be in addition to all other remedies available at law or in equity. In addition to injunctive relief, civil or criminal penalties may be imposed for each violation of this NDA.
9. **Attorney's Fees.** In the event it is necessary for the District to utilize the services of an attorney

to enforce any of the terms of this NDA, it shall be entitled to compensation for its reasonable attorney's fees and costs. In the event any legal action becomes necessary to enforce the provisions of the NDA, the substantially prevailing party shall be entitled to reasonable attorney's fees and costs in addition to any other relief allowed, regardless of whether the dispute is settled by trial, trial and appeal, arbitration, mediation, negotiation or otherwise, and regardless of whether suit is formally filed.

- 10. **Corporate Authority; Binding Signatures.** The individual executing this NDA on behalf of Contractor warrants that he or she is an authorized signatory of the entity for which they are signing, and have sufficient institutional authority to execute this NDA.
- 11. **Electronic Signatures.** Signatures transmitted electronically shall be deemed valid execution of this NDA, binding on the parties.
- 12. **Effective Date and Term.** This NDA shall become effective immediately and remain in full force and effect until Contractor has returned all Protected Information to the District provided, however, the obligations contained in Section 3 shall survive the termination of this NDA.

Sample Only

CONTRACTOR: Name: _____

Address: _____

Phone: _____

Email: _____

Signature: _____

Print Name: _____

Title: _____

Date: _____

APPENDIX “G”
DEFINITIONS OF PROTECTED INFORMATION

Definition of Critical Infrastructure Protection (CIP)

Pursuant to section 215 of the Federal Power Act (FPA), the Federal Energy Regulatory Commission (FERC) approved the Critical Infrastructure Protection (CIP) Reliability Standards. The CIP Reliability Standards require certain users, owners, and operators of the Bulk-Power System to comply with specific requirements (CIP-002 through CIP-014) to safeguard critical cyber assets. Penalties for non-compliance with NERC CIP can include fines, sanctions or other actions against covered entities.

Definition of Critical Energy Infrastructure Information (CEII)

The Critical Energy Infrastructure Information (CEII) guidelines of the Federal Energy Regulatory Commission (FERC) define CEII as specific engineering, vulnerability, operational or detailed design information about proposed or existing critical energy infrastructure (physical or virtual) that relates to the production, generation, transportation, transmission or distribution of energy, could be useful to a person planning an attack on critical infrastructure, is exempt from mandatory disclosure, and gives strategic information beyond the location of the critical infrastructure. 18 CFR §388.113 and RCW 42.56.520.

Definition of Bulk Electric System Cyber System Information (BCSI)

The North American Electric Reliability Corporation (NERC) has been designated by the FERC, through the Energy Policy Act of 2005, to establish and enforce standards and requirements for the reliable operation of the Bulk Electric System. The Bulk Electric System includes the District’s electrical generation resources, transmission lines, and interconnections with neighboring electric systems. Information related to the District’s Bulk Electric System Cyber Systems (BCS) is required to be protected due to the sensitive security nature of such information, and the need to protect public safety (hereinafter referred to as “CIP Protected Information”). BCSI generally (not exclusively) is defined as information about the BCS that could be used to gain unauthorized access or pose a security threat to the BCS and affect the reliable operations of the Bulk Electric System. The District is required to protect this information including, but not limited to, network topology/diagrams; floor plans for computing centers; equipment layouts; security configuration information and other information as defined in the NERC standards. FERC Order No. 706, issued January 18, 2008; 18 CFR Part 40; and RCW 42.56.070.

Definition of Security Sensitive Information (SSI)

Security Sensitive Information is those portions of records assembled, prepared, or maintained to prevent, mitigate, or respond to criminal or terrorist acts, which are acts that significantly disrupt the ability of the District to fulfill its mission and goals and that manifest an extreme indifference to human life, the public disclosure of which would have a substantial likelihood of threatening public safety. SSI includes: (a) Specific and unique vulnerability assessments or specific and unique response or deployment plans, including compiled underlying data collected in preparation of or essential to the assessments, or to the response or deployment plans; (b) Records not subject to public disclosure under federal law that are shared by federal or international agencies, and information prepared from national security briefings provided to state or local government officials related to domestic preparedness for acts of terrorism; and (c) Information regarding the infrastructure and security of computer and telecommunications networks, consisting of security passwords, security access codes and programs, access codes for secure software applications, security and service recovery plans, security risk assessments, and security test results to the extent that they identify specific system vulnerabilities.

Bulk Electric System (BES)

Unless modified by the lists shown below, all Transmission Elements operated at 100 kV or higher and Real Power and Reactive Power resources connected at 100 kV or higher. This does not include facilities used in the local distribution of electric energy. Inclusions:

- I1 - Transformers with the primary terminal and at least one secondary terminal operated at 100 kV or higher unless excluded by application of Exclusion E1 or E3.
- I2 – Generating resource(s) including the generator terminals through the high-side of the step-up transformer(s) connected at a voltage of 100 kV or above with: a) Gross individual nameplate rating greater than 20 MVA. Or, b) Gross plant/facility aggregate nameplate rating greater than 75 MVA.
- I3 - Blackstart Resources identified in the Transmission Operator’s restoration plan
- I4 - Dispersed power producing resources that aggregate to a total capacity greater than 75 MVA (gross nameplate rating), and that are connected through a system designed primarily for delivering such capacity to a common point of connection at a voltage of 100 kV or above. Thus, the facilities designated as BES are: a) The individual resources, and b) The system designed primarily for delivering capacity from the point where those resources aggregate to greater than 75 MVA to a common point of connection at a voltage of 100 kV or above.
- I5 –Static or dynamic devices (excluding generators) dedicated to supplying or absorbing Reactive Power that are connected at 100 kV or higher, or through a dedicated transformer with a high-side voltage of 100 kV or higher, or through a transformer that is designated in Inclusion I1 unless excluded by application of Exclusion E4.

Bulk Electric System (BES) Cyber Asset

A Cyber Asset that if rendered unavailable, degraded, or misused would, within 15 minutes of its required operation, misoperation, or non-operation, adversely impact one or more Facilities, systems, or equipment, which, if destroyed, degraded, or otherwise rendered unavailable when needed, would affect the reliable operation of the Bulk Electric System. Redundancy of affected Facilities, systems, and equipment shall not be considered when determining adverse impact. Each BES Cyber Asset is included in one or more BES Cyber Systems.

Name of company where background check was performed: _____

Certified by: _____

Title: _____

Phone No.: _____

Email: _____

Return this form to: CIPDocuments@gcpud.org

*****Access will not be granted until this Background Check has been completed and training taken*****

These are sub-sections of the “Grant County PUD Personnel Risk Assessment Program” relevant to Vendor(s) and/or Contractor(s). For the complete program please contact rcstaff@gcpud.org

Evaluation Criteria:

Contractors with physical or electronic access to District High or Medium Impact BES Cyber Systems and their associated EACMS and PACS, shall certify a background check was met using the following criteria:

Whether the individual has ever been convicted of any of the following FELONIES:

- Murder
- Kidnapping
- Manslaughter
- Fraud, theft, and/or robbery
- Criminal sexual conduct
- Arson

Whether the individual has ever been convicted of the following MISDEMEANORS:

- Violence related
- Honesty related

Whether the individual has ever been convicted of a single misdemeanor, other than minor traffic offenses, which are generally defined as traffic offenses that did not involve property damage and/or personal injury.

Individual is not currently awaiting adjudication on any criminal charge other than minor traffic offenses, which, again, are generally defined as traffic offenses that did not involve property damage and/or personal injury.

In the event the individual has been convicted of a felony or misdemeanor, the Contractor shall not assign such individual to a District location without first discussing such conviction with the District and obtaining the approval of the District’s PRA Committee for such assignment in accordance with the District’s Personnel Risk Assessment Program. The District reserves the right to refuse the assignment of an individual who does not pass the above Evaluation Criteria after review and consideration of the extenuating circumstances by the District’s PRA Committee.

FOR GRANT PUD USE ONLY

If Background Check failed enter date of PRA Committee Review: _____ Pass ___ Fail ___
(Check one)

Signature of PRA Committee member: _____

APPENDIX "I"
CONTRACTOR SAFETY REQUEST FOR INFORMATION



Contractor Safety Request for Info

Contractor Company Name:		Prepared By:	
Address:		Title:	
		Phone #:	
		Date:	

Years in business under current company name: _____

PRINCIPAL BUSINESS ACTIVITY:

- | | | |
|--|--|---|
| <input type="checkbox"/> Blasting/Painting | <input type="checkbox"/> Instrumentation | <input type="checkbox"/> Machining |
| <input type="checkbox"/> Cranes | <input type="checkbox"/> Lead/Asbestos Abatement | <input type="checkbox"/> Welding/Piping |
| <input type="checkbox"/> Excavation | <input type="checkbox"/> Cement Work | <input type="checkbox"/> Electrical |
| <input type="checkbox"/> Heavy Transport | <input type="checkbox"/> Drilling | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Labor Service | <input type="checkbox"/> General Construction | |
| <input type="checkbox"/> Scaffold | <input type="checkbox"/> Hydro-Blasting/Cleaning | |

EXPERIENCE MODIFICATION RATE:

Provide the following health, safety, and environmental (HSE)-related information:

List your company’s interstate or intrastate (if applicable) Experience Modification Rate (EMR) for the three (3) most recent years, as evidenced in workers’ compensation insurance premiums:

Last Year: _____ 2-Years Ago: _____ 3-Years Ago: _____

Higher rates may require a corrective action plan for your company. Provide a copy of the letter from your insurance broker or insurance company evidencing the rate for the last 3 years.

- Check this box if your company has less than the minimum number of employees required by law to carry workers’ compensation insurance or if your company does

not have an EMR. (If checked, provide a letter from your insurance company stating this.)

Fill in the following information for the last three available years (use your OSHA 300 Logs)		Last Year	2-Yrs Ago	3-Yrs Ago
(A)	Number of fatalities each year			
(B)	Number of lost workday/restricted activity each year			
(C)	Recordable injury cases each year			
(D)	Total hours each year (do not include non-work time, even though paid)			
(E)	Injury incident rate = <u>NO. OF RECORDABLE INJURIES x 200,000</u> <u>TOTAL HOURS FOR YEAR</u>			

If your company experienced a work-related fatality during this period, provide a brief description of the causes and corrective actions taken. N/A

Has Washington State Labor & Industries, OSHA, EPA, or other State or Federal enforcement agency(s) cited and assessed penalties against your company for any “serious,” “willful” or “repeat” violations in the past five years? Yes No

If “yes,” attach a separate page describing the citations, including information about the dates of the citations, the nature of the violation, the project on which the citation(s) was or were issued, the amount of penalty paid, if any. If the citation was appealed to the agency Appeals Board and a decision has been issued, state the case number and the date of the decision.

NOTE: If you have filed an appeal of a citation and the agency appeals Board has not yet ruled on your appeal, or if there is a court appeal pending, you need not include information about the citation.

Does your company have a written HSE program?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, attach a copy or a summary of your program, including HSE policy you may have.		
Have an orientation program for new hires?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Have training program for newly hired/promoted foremen and supervisors?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you hold workplace HSE meetings for supervisors?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, how often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Do you hold employee “toolbox” HSE meetings?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, how often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Do you conduct pre-task HSE planning meetings with employees?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

If yes, briefly describe the program format and/or attach a copy.

Do you conduct workplace HSE inspections?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, who conducts this inspection? How often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Is the company a member of any external HSE program that awards certificates of recognition?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, list certificates of recognition your company has received within the past 3 years:		

Indicate elements included in your overall HSE program	HSE Program	New Hire Training	Supervisor/Foreman Training
Corporate HSE Policy			
HSE Workplace Committee			
HSE Inspections and Audits			
Personal Protective Equipment			
Hazard Assessment and Communication			
Task Assignment Training			
Respiratory Protection			
Fall Protection			
Scaffolding and Ladders			
Perimeter Guarding			
Housekeeping			
Fire Protection/Prevention			
First- Aid Procedures/Facilities			
Emergency Procedures			
Toxic Substances/Hazard Communication			
Trenching and Excavation			
Signs, Barricades, and Flagging			
Electrical Safety			
Rigging and Crane Safety			
Safe Work Practices			
Safety Supervision			
Toolbox/Workplace HSE Meetings			
Incident Investigation/Reporting			
Abrasive Blasting Safety			

	Substance Abuse			
	Vehicle Safety			
	Use of Compressed Gas Cylinders			
	Welding/Cutting			
	Medical Evaluation			
	Blood borne Pathogens			
	Employee Discipline			
	High-Pressure Water Cleaning			
	Hot Taps			
	Noise/Hearing Conservation			
	Heat/Cold stress			
	Incentives/Awards for HSE Achievements			
	Spill Prevention/Response			
	Dust Suppression			
	Wastewater/Storm Water Management			
	Hazardous Waste and Solid Waste Management			
	Equipment Emissions			
	Wetlands/Sensitive Habitats			

THIS INFORMATION MUST BE FURNISHED TO GRANT PUD PRIOR TO THE BIDDING OF ANY CONTRACT OR ONSITE LABOR

For further information or assistance in meeting these requirements, please contact the designated Grant PUD District Representative.

REVIEW/APPROVAL SIGNATURES
GRANT PUD USE ONLY

<p align="center">REQUIRED SIGNATURE</p> <p>SAFETY: _____ DATE _____</p> <p>DISTRICT REP. _____ DATE _____</p>	<p align="center"> <input type="checkbox"/> RECEIVED <input type="checkbox"/> FURTHER REVIEW </p>
--	--

For Commission Review – 09-10-2024

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute Contract 130-12168B and reset the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for Contract 130-12168B with S & C Electric Company.

xxxx

MEMORANDUM

August 25, 2024

TO: Rich Wallen, General Manager/Chief Executive Officer

VIA: Jeff Grizzel, Chief Operating Officer
Ron Alexander, Director of Power Delivery

FROM: Jesus Lopez, Sr. Manager of Power Delivery Engineering

SUBJECT: Award of Contracts 130-12168A and 130-12168B Professional Services Agreement for Engineering Services

Purpose: To request Commission approval to award:

- Contract Document 130-12168A to Siemens to supply professional engineering services as needed for power system studies
- Contract Document 130-12168B to S&C Electric to supply professional engineering services as needed for power system studies.

Discussion: The District requires professional engineering services for power system studies that exceed available internal resource levels or expertise. To provide timely access to this service, these contracts are proposed to serve as “Master Service Agreements” (MSAs). Since a high volume of work is possible for this type of work, a primary and alternate service provider is recommended to minimize the District’s risk for circumstances that would prevent a single provider from completing tasks within the District’s requirements.

Each individual task will be authorized via a written scope of work. The service provider will not be authorized to begin work prior to the completion of a work scope document. There is no guarantee minimum amount of work.

Contractor Selection Process: To achieve the objectives described in the Discussion section above, District staff solicited proposals for Professional Engineering Services in accordance with Chapter 39.80 of the Revised Code of Washington (RCW). Unlike other types of contracts which are awarded to the lowest responsible bidder, RCW 39.80 requires Professional Engineering contracts to be awarded primarily based on qualifications and negotiated rates.

The advertised Request for Proposal (RFP 130-12168) returned a total of 11 responses from various engineering firms. A three-person committee with a representative from Power Delivery, Large Power Solutions, and Wholesale Marketing and Supply reviewed and evaluated the proposals. The committee convened initially to review the selection criteria specified in the advertised RFP, review the proposals, deliberate results developed independently by each representative, and finally select the proposed firms. Each proposal was evaluated on the following weighted criteria:

1. Management plan (5%)
2. Firm Capabilities (5%)
3. Response Time (10%)

4. Cost Control Experience (5%)
5. Client List/References (5%)
6. Equivalent Projects and Services (10%)
7. Key Personnel Qualifications and Relevant Experience (50%)
8. Support Services Organization and Capabilities (5%)
9. Accessibility to District and Project Sites (5%)

Staff applied the criteria to evaluate categories using a scale of 0-5 where 0 represented no qualification and 5 represented most qualified. Individual committee member scores were compiled and tallied for each respondent with total scores depicted in attachment "130-12168 Professional Engineering Services Evaluation for Power System Studies".

Based on the evaluation of the proposals received, Siemens and S&C Electric are selected as primary and alternate service providers respectively.

Justification: The recommended contracts are critical to supporting a reliable and timely improvement and expansion of the District's electric system to serve existing customers as well as the large load growth anticipated. Alternatives to these contracts are to hire additional experienced and knowledgeable technical personnel or extend the anticipated service schedule to new large load or interconnection customers. Efforts to recruit and hire personnel has proven difficult in recent times. Additionally, the risk of overstaffing exists if/when load growth driven system expansion decreases. The alternative to extend large customer load growth schedules is also problematic as "time to market" is a key consideration for most large industrial customers seeking to site or expand their business in Grant County. Customers have reported that extending their in-service date beyond our current backlog schedules likely makes their projects unfeasible in our system.

Work performed under these contracts will only be assigned to consultants if the scope of an individual project exceeds the capabilities of the in-house staff within the schedule required or if the work requires specialized knowledge or tools. These services are currently anticipated for power system studies to assess system expansion plans, ability to serve large load, and/or transmission interconnection requests.

Financial Considerations: Each contract shall remain in effect until December 30, 2025 and have a not to exceed amount of \$750,000 for a combined total of \$1,500,000. While it is not anticipated to spend that total amount of money, the not to exceed amounts provide District staff the flexibility to quickly respond to system study needs as identified by established planning and approval processes.

Recommendation: Commission approval to award Contract Document 130-12168A to Siemens and Contract Document 130-12168B to S&C Electric to supply professional engineering services as needed for power system studies.

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

Attachments: 130-12168 Professional Services RFP Evaluation

130-12168 Professional Services RFP Evaluation

Averages	
Firm	Score
Siemens	40.2
S&C	39.7
HDR	36.0
Power Engineers	35.8
EPE	34.5
ECI	34.5
Sargent & Lundy	32.8
Qualus	28.3
BKI Engineering Services	27.7
SEL	23.8
PSC	8.5

From: [Chris Heimbigner](#)
To: [Angel Barahona-Sanchez](#); [Shelli Tompkins](#); [Jeff Grizzel](#); [Jesus Lopez](#); [Ron Alexander](#)
Subject: RE: 130-12168A & 130-12168B Professional Services for Power System Studies and Analysis: COMMISSION MEMO Approval Request
Date: Thursday, August 15, 2024 8:36:58 AM

I approve the memo on behalf of Ron Alexander.

Chris

From: Angel Barahona-Sanchez <Abaraho@gcpud.org>
Sent: Thursday, August 15, 2024 8:30 AM
To: Chris Heimbigner <Cheimbigner@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>; Jeff Grizzel <jgrizzel@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>
Subject: RE: 130-12168A & 130-12168B Professional Services for Power System Studies and Analysis: COMMISSION MEMO Approval Request

Chris,

I attached the memo.

Angel

From: Chris Heimbigner <Cheimbigner@gcpud.org>
Sent: Thursday, August 15, 2024 8:22 AM
To: Angel Barahona-Sanchez <Abaraho@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>; Jeff Grizzel <jgrizzel@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>
Subject: RE: 130-12168A & 130-12168B Professional Services for Power System Studies and Analysis: COMMISSION MEMO Approval Request

If I need to approve the memo can you please send it to me.

Chris

From: Angel Barahona-Sanchez <Abaraho@gcpud.org>
Sent: Thursday, August 15, 2024 7:00 AM
To: Shelli Tompkins <stompkins@gcpud.org>; Jeff Grizzel <jgrizzel@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>
Cc: Chris Heimbigner <Cheimbigner@gcpud.org>
Subject: Re: 130-12168A & 130-12168B Professional Services for Power System Studies and Analysis: COMMISSION MEMO Approval Request

Shelli,

I approve the memo as well on behalf of Jesus.

I cc'd Chris Heimbigner since he is standing in for Ron Alexander this week.

Angel

From: Shelli Tompkins <stompkins@gcpud.org>

Sent: Thursday, August 15, 2024 6:50:41 AM

To: Angel Barahona-Sanchez <Abaraho@gcpud.org>; Jeff Grizzel <jgrizzel@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>

Subject: RE: 130-12168A & 130-12168B Professional Services for Power System Studies and Analysis: COMMISSION MEMO Approval Request

I just need your approval via an email response.

Thanks,

Shelli Tompkins

Procurement Officer

OFFICE 509.906.6983

EMAIL stompkins@gcpud.org

From: Angel Barahona-Sanchez <Abaraho@gcpud.org>

Sent: Wednesday, August 14, 2024 5:11 PM

To: Jeff Grizzel <jgrizzel@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>

Subject: RE: 130-12168A & 130-12168B Professional Services for Power System Studies and Analysis: COMMISSION MEMO Approval Request

Jeff,

Thank you for your approval!

Regarding your question, I will let [@Jesus Lopez](#) respond since I don't know the answer.

[@Shelli Tompkins](#), how do you want to address the signatures on the memo? As an option, I can sign digitally on behalf of Jesus.

Angel

From: Jeff Grizzel <jgrizzel@gcpud.org>

Sent: Wednesday, August 14, 2024 5:02 PM

To: Shelli Tompkins <stompkins@gcpud.org>; Angel Barahona-Sanchez <Abaraho@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>

Subject: Re: 130-12168A & 130-12168B Professional Services for Power System Studies and Analysis:

COMMISSION MEMO Approval Request

I approve of the memo as written.

I do have a question for Jesus and/or Angel though - when did we complete the evaluation of the 11 proposals and identify Siemens and S&C as the primary and alternate vendors?

Jeff

Get [Outlook for iOS](#)

From: Shelli Tompkins <stompkins@gcpud.org>

Sent: Wednesday, August 14, 2024 7:22:51 PM

To: Angel Barahona-Sanchez <Abaraho@gcpud.org>; Jesus Lopez <Jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>

Subject: 130-12168A & 130-12168B Professional Services for Power System Studies and Analysis: COMMISSION MEMO Approval Request

Good afternoon,

I am packaging the referenced contracts above for Commission filing tomorrow in Emilie's absence. I need to obtain your approval on the attached Memo.

Please respond to this email with your approval.

Thank you,

Shelli Tompkins

Procurement Officer

OFFICE 509.906.6983

EMAIL stompkins@gcpud.org

HOURS M-TH 6:00AM-4:30PM, FRI OFF



grantpud.org

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement, effective upon full execution, is by and between Public Utility District No. 2 of Grant County, Washington (“District”) and Siemens Industry, Inc. (“Contractor”);

R e c i t a l s :

The District desires to obtain Professional Engineering Services; and

The District's Managing Director of Power Delivery believes this Professional Engineering Services are required to meet system studies and analysis needs that are above and beyond the ability of the District to perform with existing staff levels; and

The Contractor, through an established review procedure as specified by RCW Chapter 39.80, has been selected and is willing to provide services on the terms and conditions hereinafter stated.

NOW, THEREFORE, in consideration of the mutual covenants herein, the parties hereto agree as follows:

1. Scope of Services

Contractor shall provide the District with engineering services associated with system studies and analysis as identified in accordance with Appendix “B”, Scope of Services Requirements.

Engineering services provided under this Agreement may include, but are not limited to, the tasks listed in Appendix “A”.

The District will authorize the Contractor to perform specific tasks by means of a Task Authorization for Professional Services (Appendix “E”) to be signed by both the District and the Contractor. Such authorization may be issued by the District Representative. The authorization will define the scope of the task, any time requirements and budget limitations.

The District makes no guarantee as to the actual amount of work to be done. The District reserves the right to suspend or terminate any authorized task at any time or to extend the Contract beyond the initial term by issuance of a Change Order in accordance with Section 5 to complete any work already initiated and/or authorized under the original term and scope of the Contract.

2. Independent Contractor

A. The Contractor shall operate as, and have the status of, an independent Contractor and will not be an agent or employee of the District nor will it be entitled to any employee benefits provided by the District. All the Contractor’s activities will be conducted at its own risk and be in compliance with all federal, state and local laws.

B. The Contractor shall perform its services with the level of skill, care and diligence normally provided by and expected of professional persons performing services similar to or like those to be performed hereunder. Contractor understands that the District will be relying upon the accuracy, competency, credibility and completeness of the services provided by the Contractor hereunder and that the District and its customers will be utilizing the results of such services.

3. Term - Schedule

This Agreement shall remain in full force and effect until December 30, 2025 or until terminated pursuant to Section 18.

4. Compensation and Payment

A. Compensation for services rendered and all reimbursable costs shall be per the rates set forth in Appendix "C", Rate Schedule. Changes to rates and costs shall only be on a prospective basis and shall occur in January of every calendar year beginning January 1, 2025 and no more frequently than once every 12 months thereafter. Each such change shall not exceed the lesser of i.) 5% or ii.) the percentage increase in the Bureau of Labor Statistics Consumer Price Index (CPI-U) for the West Urban region occurring during the immediately preceding 12 month period for which CPI-U data is available. Contractor shall notify the District in writing at least 30 days prior to any such rate increase going into effect.

In no event however, shall the total amount paid to Contractor for services and all reimbursable costs exceed the sum of \$750,000.00 USD unless a Change Order authorizing the same is issued in accordance with Section 5 below.

B. Contractor shall submit monthly invoices to the attention of:

Public Utility District No. 2
of Grant County, Washington
Attn: Accounts Payable
PO Box 878
Ephrata, WA 98823
Or AccountsPayable@gcpud.org

C. Invoices shall include the Contract number and a detailed description of the work performed. Any Labor Categories or reimbursable expenses shall be included on the invoice (see Appendix "C").

D. Payment will be made by the District upon completion of work following District approval of Contractor's invoices. Invoice shall be subject to the review and approval of the District. Invoice shall be in a detailed and clear manner supported by such information the District may require. The District will make payment to Contractor within 30 days after District's receipt and approval of said invoice. Contractor understands and agrees that by executing this Contract with the District, the District shall make payment(s) by automated clearing house (ACH).

E. The District Representative may approve additional Contractor employees, personnel categories, and/or equipment rates to be added to the Rate Schedule, if applicable, provided that any additional employees have at least equivalent training and skills and are compensated at the same or lower rates than those listed on the current approved Rate Schedule for similar work. There shall be no change in the total Contract not to exceed amount. All additions must be approved in writing prior to performing services under the Contract.

5. Change Orders

Except as provided herein, no official, employee, agent or representative of the District is authorized to approve any change in this Contract and it shall be the responsibility of the Contractor before proceeding with any change, to satisfy itself that the execution of the written Change Order has been properly authorized on behalf of the District. The District's management has limited authority to approve Change Orders. The current level and limitations of such authority are set forth in District Resolution No. 8609 which may be amended from time to time. Otherwise, only the District's Board of Commissioners may approve changes to this Contract.

Charges or credits for the work covered by the approved changes shall be determined by written agreement of the parties and shall be made on Change Order form as reflected on Appendix "D".

When a change is ordered by the District, as provided herein, a Change Order shall be executed by the District and the Contractor before any Change Order work is performed. When requested, Contractor shall provide a detailed proposal for evaluation by the District, including details on proposed cost. The District shall not be liable for any payment to Contractor, or claims arising there from, for Change Order work which is not first authorized in writing. All terms and conditions contained in the Contract Documents shall be applicable to Change Order work. Change Orders shall be issued on the form attached as Appendix "D" and shall specify any change in time required for completion of the work caused by the Change Order and, to the extent applicable, the amount of any increase or decrease in the Contract Price.

6. Taxes

- A. Except for the Washington State retail sales and use taxes as may be levied upon the Contract, pursuant to RCW Chapters 82.08 and 82.12, the Contract Price includes and the Contractor shall have the full exclusive liability for the payment of all taxes, levies, duties and assessments of every nature due and payable in connection with this Contract or its employees and subcontractors performing work related to this Contract.
- B. Washington State retail sales tax and use taxes levied upon this Contract pursuant to RCW Chapters 82.08 and 82.12 are excluded from the rates and if applicable will be reimbursed as follows:
 - 1. If the Contractor has, or is required to have a valid Washington State sales tax identification number, the identification number shall be furnished to the District upon request. The Contractor shall make payment of any Washington State retail sales and use taxes due and Contractor shall be reimbursed by the District for the same. Contractor shall be solely responsible for any interest or penalties arising from late or untimely payment of said taxes.
 - 2. If the Contractor is not required to have a valid Washington State sales tax identification number, it shall notify the District of the same. In such event, the District, after receiving proper invoices from Contractor, shall make payment of said Washington State retail sales and use taxes levied upon this Contract to the Washington State Department of Revenue.

7. Hold Harmless and Indemnification

Contractor shall, at its sole expense, indemnify, defend, save, and hold harmless the District, its officers, agents, and employees from all actual third party claims or losses, including costs and legal fees at trial and on appeal, alleging bodily injury, death or damages to tangible property but

only to the extent caused by any negligent act of or omission of the Contractor or its subcontractors, excluding damages caused by the negligence of the District, in the administration or performance of this Agreement or any subcontracts, and for which either of the parties, their officers, agents, or employees may or shall be liable. In situations where liability for damages arises from claims of bodily injury to persons or damage to property, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Contractor or its subcontractors. Contractor waives its immunity under industrial insurance, Title 51 RCW, to the extent necessary to effectuate this indemnification/hold harmless agreement. Contractor's indemnification obligation shall not apply to liability for damages arising out of bodily injury to a person or damage to property caused by the negligence of the District or its agents or employees and not attributable to any act or omission on the part of the Contractor. In the event of damages to a person or property caused by or resulting from the concurrent negligence of District or its agents or employees and the Contractor or its agents or employees, the Contractor's indemnity obligation shall apply only to the extent of the Contractor's (including that of its agents and employees) negligence.

Contractor acknowledges that by entering into this Contract with the District, it has mutually negotiated the above indemnity provision with the District. Contractor's indemnity and defense obligations shall survive the termination or completion of the Contract and shall remain in full force and effect until satisfied in full.

8. Limitation of Liability

The entire, collective liability of Contractor, Contractor affiliates and subcontractors and their officers, directors and employees for all claims and damages related in any way to this Agreement, in the aggregate and regardless of the form of action, will be limited to the amount paid to Contractor for the consulting services under the proposal that is the subject of the claim, provided that this total liability limit shall not apply to damages covered by Contractor's insurance coverages as required in Section 9. Notwithstanding anything in this Agreement to the contrary, Contractor is not liable, for any type of indirect, special, liquidated, punitive, exemplary, collateral, incidental or consequential damages or for any other loss or cost of a similar type. Neither party may make a claim under the Agreement more than three years after the event giving rise to the claim is or should have been discovered by the claimant.

9. 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. 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.

4. **Excess Insurance:** Excess (or Umbrella) Liability insurance with a **minimum limit of \$5,000,000 per occurrence and in the aggregate.** This insurance shall provide coverage in excess of the underlying primary liability limits, terms, and conditions for each category of liability insurance in the foregoing subsections 1, 2 (Employer's Liability only) and 3. If this insurance is written on a claims-made

policy form, then the policy shall be endorsed to include an automatic extended reporting period of at least five years or the statute of repose.

Umbrella/Excess 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.

5. **Professional Liability/Network Security Insurance:** Contractor shall obtain professional errors and omissions liability insurance in an amount of **not less than \$5,000,000 per claim and in the aggregate**. Coverage shall respond to wrongful acts in the rendering of, or failure to render, professional services under this Agreement, electronic data losses or damage or breaches of electronic data security including disclosures of private or Protected Information of the District or any employee, participant or beneficiary of the Services provided by Contractor pursuant to this contract. In the event of a claim and upon the District's request, Contractor shall provide a copy of its Professional Liability/Network Security Insurance policy. The Professional Liability Insurance retroactive coverage date shall be no later than the effective date of this agreement. Contractor shall continuously maintain such insurance or purchase an extended reporting period providing that claims first made and reported to the insurance company within two years after termination of the Agreement will be deemed to have been made during the policy period.

If Contractor shall hire subcontractor for all operations and risk involving professional network services exposure, this requirement may be satisfied by subcontractor's policies. Contractor shall impute the insurance requirements stated in this section to subcontractor by written contract or written agreement. Any exceptions must be mutually agreed in writing with 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 endorsements 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.

10. Assignment

Contractor may not assign this Agreement, in whole or in part, voluntarily or by operation of law, unless approved in writing by the District.

11. Records - Audit

- A. The results of all work and services performed by the Contractor hereunder shall become the property of the District upon completion of the work herein performed and shall be delivered to the District prior to final payment.
- B. Until the expiration of three years after final acceptance by District of all the work, Contractor shall keep and maintain complete and accurate records of its costs and expenses related to the work or this Contract in accordance with sound and generally accepted accounting principles applied on a consistent basis. To the extent this Contract provided for compensation on a cost-reimbursable basis or whenever such records may, in the opinion of the District, be useful in determining any amounts payable to Contractor or District (e.g., the nature of a refund, credit or otherwise), Contractor shall provide District access to all such records for examination, copying and audit.

12. Nondisclosure

Contractor agrees that it will not divulge to third parties, without the written consent of the District, any information obtained from or through District in connection with the performance of this Contract. Contractor further agrees that it will not, without the prior written consent of District, disclose to any third party any information developed or obtained by the Contractor in the performance of this Contract and, if requested by District, to require its employees and subcontractors, if any, to execute a nondisclosure agreement prior to performing any services under this Contract. Nothing in this section shall apply to:

- A. Information which is already in the Contractor's possession not subject to any existing confidentiality provisions,
- B. Information which, at the time of disclosure, is in the public domain by having been printed and published and available to the public libraries or other public places where such data is usually collected, and

C. Information required to be disclosed by court order or by an agency with appropriate jurisdiction.

13. Public Records Act

The District is subject to the disclosure obligations of the Washington Public Records Act of RCW 42.56. The Contractor expressly acknowledges and agrees that any information Contractor submits is subject to public disclosure pursuant to the Public Records Act or other applicable law and the District may disclose Contractor's proposal and/or information at its sole discretion in accordance with its obligations under applicable law.

14. Applicable Law

Contractor shall comply with all applicable federal, state and local laws and regulations including amendments and changes as they occur. All written instruments, agreements, specifications and other writing of whatsoever nature which relate to or are a part of this Agreement shall be construed, for all purposes, solely and exclusively in accordance and pursuant to the laws of the State of Washington. The rights and obligations of the District and Contractor shall be governed by the laws of the State of Washington. Venue of any action filed to enforce or interpret the provisions of this Agreement shall be exclusively in the Superior Court, County of Grant, State of Washington or the Federal District Court for the Eastern District of Washington at the District's sole option. In the event of litigation to enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable legal fees in addition to any other relief allowed.

15. Subcontracts/Purchases

The Contractor is not authorized to enter into any subcontracts or make any purchases of materials or equipment.

16. Notices

Any notice or other communication under this Contract 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.

District

Jesus Lopez
Public Utility District No. 2
of Grant County, Washington
PO Box 878
154 A Street SE, Building E
Ephrata, WA 98823
(509) 754-1496
jlopez@gcpud.org

Contractor

Eric Wuttke
Siemens Industry, Inc.
400 State Street
4th Floor
Schenectady, NY 12301
(518) 362-6187
eric.wuttke@siemens.com

For purposes of technical communications and work coordination only, the District designates Jesus Lopez as its representative. Said individual shall have no authority to authorize any activity

which will result in any change in the amount payable to Contractor. Such changes, if any, must be by written Change Order issued in accordance with Section 5 to be valid and binding on the District.

17. Ownership of Work Product/Copyright

- A. District shall own all right, title and interest in the tangible deliverables provided by Contractor under this Agreement. Ownership of any existing or developed intellectual property, including that embedded in deliverables, shall remain at all times with Contractor. Contractor grants District a non-exclusive, personal, irrevocable, world-wide, paid-up license to use Contractor's intellectual property embedded in the deliverables solely for the purpose of this Agreement. Except as expressly granted herein, nothing contained in this Agreement shall be deemed to grant any license under any intellectual property right other than those expressly granted herein.
- B. Contractor acknowledges and agrees that all services/work are specifically ordered under an agreement with Public Utility District No. 2 of Grant County, Washington, and shall be considered "work made for hire" and "Work Product" for purposes of copyright. All copyright interest in Work Product shall belong to and be the exclusive property of the District.
- C. Upon final acceptance or termination of this Agreement, Contractor shall immediately turn over to the District all Work Product. This does not prevent the Contractor from making a file copy for their records.

18. Termination

- A. District may, at any time, for any reason, upon 10 days notice, terminate Contractor's services in connection with this Agreement, or any part thereof, by designating that portion of the services to be terminated. In case of termination pursuant to this Section A, District will make payment at the rates specified in this Agreement for services properly performed up to the date of termination. However, in no event shall Contractor be entitled to any other payment to or any anticipated fee or profit on unperformed work.
- B. In the event of Contractor's breach or abandonment of this Contract, the District may thereupon and without further notice, terminate this Agreement provided that Contractor has not begun to cure the breach within a reasonable amount of time. The District without waiving any other remedies available to it, may retain any monies otherwise due Contractor under this Agreement to the extent such sums are required to compensate District, in whole or in part, for any loss or damage caused by Contractor's breach or abandonment.

19. Non-Waiver

No waiver of any provision of this Agreement, or any rights or obligations of either Party under this Agreement, shall be effective, except pursuant to a written instrument signed by the Party or Parties waiving compliance, and any such waiver shall be effective only in the specific instance and for the specific purpose stated in such writing. The failure of either Party to require the performance of any term of this Agreement or the waiver of either Party of any breach under this Agreement shall not operate or be construed as a waiver of any other provision hereof, nor shall it be construed as a waiver of any subsequent breach by the other Party hereto.

20. Physical Security

If any performance under this Contract is to be conducted on District facilities or worksites, it shall be the responsibility of the Contractor to ensure that its employees and those of its Subcontractors are informed of and abide by the District's Security Policies as if fully set out herein a copy of which shall be provided to the Contractor by the District Representative at the preconstruction meeting or prior to beginning work. Without limiting the foregoing, Contractor and its employees shall be required to:

- A. Keep all external gates and doors locked at all times and interior doors as directed.
- B. Visibly display ID badges on their person at all times.
- C. Stay out of unauthorized areas or in authorized areas outside of authorized work hours, without express authorization from the District.
- D. Provide proper notification to the appropriate parties, and sign in and out upon entry and exit to secured locations. If unsure of who to notify, Contractor shall contact the District Representative.
- E. Immediately notify the District if any of Contractor's employees no longer need access or have left the Contractor's employment.
- F. Immediately report any lost or missing access device to the District Representative. A minimum charge will be assessed to the Contractor in the amount of \$50.00 per badge and the fee for lost or non-returned keys may include the cost to re-key the plant facilities. The Contractor is strictly prohibited from making copies of keys.
- G. Not permit 'tailgating' through any controlled access point (i.e. person(s), authorized or unauthorized, following an authorized person through an entry point without individual use of their issued ID badge or key).
- H. Return all District property, including but not limited to keys and badges, to the District Representative when an individual's access to the facility is no longer needed.
- I. Guest Wireless: The District provides Guest Wireless Internet access to contractors and vendors that need to conduct business in support of the District from personally owned mobile devices such as laptops and smart phones. Contractor personnel are responsible for exercising good judgment regarding appropriate use of information, electronic devices, and network resources.

The Contractor and any Subcontractors shall comply with the safety requirements of these Contract Documents and all District policies pertaining to COVID-19 located at <https://www.grantpud.org/for-contractors>.

21. Security, Safety Awareness Training, Dam Safety Awareness Training, and Transmission and Distribution Access Training

Prior to receiving access to any District facilities, all Contractors, Contractor's employees, subcontractors and subcontractor's employees, material suppliers and material supplier's employees, or any person who will be engaged in the work under this Contract that requires access

to District facilities, shall be required to take and pass the District's Security and Safety Awareness training before being issued a security access badge to access District facilities. Under no circumstances will the failure of any Contractor or subcontractor employee to pass the required training, be grounds for any claim for delay or additional compensation.

The Safety and Security Awareness training is available online and is a 20-30 minute training. The training is located at: <https://www.grantpud.org/for-contractors>. All contractors and their employees are required to successfully complete Safety and Security Awareness training before coming onsite. The Security and Safety certificates should be emailed directly to SecurityTrainingCerts@gcpud.org.

District Representative shall ensure that Contractor's employees, subcontractor's and subcontractor's employees have completed and submitted the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted before any security access badges will be issued.

If applicable, Dam Safety Awareness Training is required for Contractors who are performing work in and around Priest Rapids and Wanapum Dams and are badged. The training is available online only and is a 20-30 minute training. Contractor shall ensure that its employees, Subcontractors and Subcontractor's employees have completed, passed and printed the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted to the District Representative before any security access badges will be issued.

If applicable, Transmission and Distribution Access Training is required for Contractors, or their Subcontractors, who may hold a clearance or hotline hold order as part of performance of work under this Contract. The training is available online only and is a 20-30 minute training. Contractor shall ensure that its employees, Subcontractors and Subcontractor's employees have completed, passed and printed the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted to the District Representative before any security access badges will be issued.

If you are uncertain which of the above courses you or your employees must complete, please contact your District Representative.

22. Protected Information

The State of Washington, Federal Energy Regulatory Commission (FERC) and/or North American Reliability Corporation (NERC) has established regulations for the protection of sensitive plans, drawings and records defined as Security Sensitive Information (SSI), Critical Energy Infrastructure Information (CEII) and/or Bulk Electric System Cyber System Information (BCSI), reference Appendix "G". In accordance with the Revised Code of Washington (RCW), FERC and NERC regulations, and using them as guidance, the District has identified and designated certain information as SSI, CEII, and/or BCSI (hereinafter referred to collectively as "Protected Information"). Because of the sensitive nature of certain District Protected Information that could be used in this Contract, Contractor is bound by the terms and conditions set forth in the Non-Disclosure Agreement (NDA) previously executed with the District during the proposal process and included as Appendix "F".

23. Approval of Personnel Changes

The Contractor shall submit to the District Representative for review and approval a proposed list of individuals who will have access to SSI, CEII, or BCSI or to restricted areas of District facilities. Unless otherwise required or prohibited by law, the Contractor shall supply the following information for each individual: full legal name, physical address, date of birth, qualifications, years' of experience, lawful presence and eligibility to work in the United States of such individuals along with their experience and qualifications for the type of work they will perform. Subject to prior written authorization of District Representative, Contractor may add or change personnel on the approved list provided that the same identifying information listed above is provided to the District Representative for review and approval. The Contractor shall submit to the District Representative all additions to the approved list of individuals along with the above listed information for review and approval. The District reserves the right to deny approval of any proposed individual if, as determined by the District, such individual is unsatisfactory to the District. The District will be the sole judge of such effect. All personnel shall be subject to the nondisclosure provisions of this Contract which shall survive their replacement or termination as provided herein.

24. Background Checks

The District reserves the right to require Contractor to have conducted prior criminal background checks on its employee(s) before the District will grant such individuals access to secure areas of District facilities or electronic access to Bulk Electric System Cyber Assets or Protected Information.

In the event the District determines in its sole discretion that an individual is unsatisfactory to the District, the District reserves the right to require the Contractor to remove such individual from the job site and/or to exclude such individual from having any access to SSI, Bulk Electric System Cyber Assets, CEII, or BCSI.

25. Qualification of Contractor's Access and Personnel Change Approval

The District reserves the right to deny any Contractor or employee thereof access to District facilities or Protected Information at the District's sole discretion. The District will be the sole judge of such effect. All Contractors and employees thereof shall be subject to the nondisclosure provisions of this Contract.

The District reserves the right to require Contractor to conduct criminal background checks, provide an identity validation document (I-9, Social Security card, driver's license) and complete the District provided training for its employee(s) before the District will grant such individuals access to secure areas of District facilities. Contractor shall execute one certification for each employee requiring a background check on the form provided by the District and attached hereto as Appendix "H". The cost of such background checks shall be borne by the Contractor. For access to Protected Information relating to Critical Infrastructure Protection, the District reserves the right to require a Non-Disclosure Agreement and a certificate of completion from the District-provided training for each employee before the District will grant access to such individuals.

In the event the District determines in its sole discretion that an individual or Contractor is unsatisfactory, or fails to provide the information listed above, the District reserves the right to exclude such individual or Contractor from secure areas and/or from having any access to Protected Information.

26. Contractor Safety Requirements

The following applies if Contractor, or any of its sub-consultants, subcontractors, or suppliers of any tier, performs any activities on premises owned, leased, possessed, or controlled by the District. The Contractor Safety Requirements shall be required when applicable as determined by the District Representative based upon the scope of work. To the extent applicable, the Contractor shall ensure that all workers, sub-consultants, subcontractors, and suppliers comply with these requirements. In fulfilling these requirements, the Contractor shall also comply with material and equipment manufacturer instructions, and safety and health requirements in accordance with WAC 296-126-094 and this Agreement where applicable. If there are conflicts between any of the requirements referenced in the Contract Documents, the more stringent requirement shall prevail.

- A. Office Work: Contractor personnel who perform work in an office environment at premises owned, leased, possessed, or controlled by the District shall be required to follow at a minimum the following safety and security requirements. This work includes but is not limited to professional services and consulting, technology-related tasks, and training services. Work activities may include working at a desk, attending meetings, touring facilities, and similar activities.
1. Access: The Security Department administers physical access to District facilities. Contractor personnel shall be issued an ID badge or visitor badge to provide access to work areas as needed per Sections 20 and 21. Workers without authorized access to an area must be escorted at all times. Any person with authorized access may serve as an escort.
 2. Emergency Preparedness: All Contractor personnel, when entering a facility or work area, shall determine the locations of emergency exits, fire extinguishers, first aid kits, AED, and gathering points in case of evacuation.
 3. Housekeeping: Contractor personnel shall keep desks, cubicles, meeting rooms, and all other working areas free from clutter and tripping hazards. Work areas shall be cleaned after use according to applicable guidelines posted by the District in such work areas.

27. Warranty

Contractor warrants that for a period of ninety days from delivery the consulting services will be performed in a professional and workmanlike manner. District's remedies for Contractor's failure to perform the Consulting Services in accordance with the warranty shall be Contractor reperformance of the non-conforming services, or at Contractor's option, refund of amounts paid for the applicable work. EXCEPT AS PROVIDED IN THIS SECTION 27, CONTRACTOR MAKES NO OTHER WARRANTY, EXPRESS, IMPLIED OR STATUTORY, WITH RESPECT TO THE PROFESSIONAL SERVICES AND ALL SUCH WARRANTIES ARE HEREBY DISCLAIMED INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, COURSE OF DEALINGS OR USAGE IN TRADE.

IN WITNESS WHEREOF, the Contractor and the District have executed this Agreement each by its proper respective officers and officials thereunto duly authorized the day and year first above written.

Public Utility District No. 2
of Grant County, Washington

Siemens Industry, Inc.

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

APPENDIX “A”

POTENTIAL TASK LISTING – “Master Agreement” for Professional Engineering Services

Transmission and Distribution Planning Analysis:

- Long range transmission planning analysis
- Load interconnection studies
- Generation siting and interconnection studies
- Transfer Capability Analysis
- NERC Compliance Analysis
- Dynamic system modeling and validation
- Reliability Analysis
- Transmission Sensitivity Studies
- Transmission System Impact Analysis
- Optimal Power Flow Analysis
- Voltage Stability Analysis
- Transient Stability Analysis
- Electromagnetic Field and Corona
- Arc Flash Hazard Analysis
- Reactive Power Compensation
- Short Circuit Studies
- Distribution long/short range plan
- Motor Start and Inrush current Analysis
- Protection Coordination Analysis
- Power Quality Analysis
- Other tasks as identified and approved

APPENDIX "B"
SCOPE OF SERVICES REQUIREMENTS

A. ENGINEERING AND TRANSMISSION SYSTEM STUDIES

Products required shall include as a minimum:

1. Obtain models and verify initial conditions.
2. Perform studies as required.
3. Prepare and submit reports.

B. Provide the required number of hard and electronic copies of the reports, recommendations, and presentations as may be required while administering projects.

C. CONTRACTOR EQUIPMENT

It is assumed that the Contractor has the following, as a minimum set of engineering tools and equipment, when in the field and the costs of these shall be included by Contractor overheads **(individual billings for these items will not be allowed)**:

Cellular phones

Digital cameras

Laptops, iPads, Tablets, Desktops, including any and all computers, disks, printers, storage media, and other computing hardware

D. SOFTWARE

The Contractor shall provide all drawings, reports and construction packages in District standard computer format. The Contractor will provide their own copies of said software packages, unless the package is proprietary to the District. These packages include, but are not limited to:

Microsoft® Project

Microsoft® Word

Microsoft® Excel

PowerWorld Simulator with the add on features such as PV/QV tools, Available Transfer Capability, and Transient Stability

Aspen OneLiner, Aspen constants

Synergi Electric

The Contractor shall maintain the same version of applicable software concurrent with the District.

E. INTERNET

The Contractor shall have an Internet e-mail account for the purposes of electronic file transfers and routine communications with the District. This shall not eliminate the need for hard copy documentation.

F. TELEPHONE

The District will not be responsible for local, long distance, cell phone or other telephone charges. These expenses are considered an overhead expense and included in the hourly rate.

G. COMPUTER TIME

The District will not be responsible for computer time or use of software service fees. These expenses are considered an overhead expense and included in the hourly rate.

H. EQUIPMENT AND SOFTWARE

The equipment, tools, software, etc., in Appendix B Sections C, D, E, F, & G shall be included in hourly rate overhead as an operating expense.

**APPENDIX “C”
RATE SCHEDULE**

DIRECT EXPENSES:

Rates are stated in US Dollars.

Engineer's Classification Code	Billing Rate Job Description	Billing Rate	Classification
A	Project Manager I	\$309.00	Project management
B	Clerical	\$121.00	Word processing, Data Entry
C	Engineer V	\$400.00	Detail design and studies
D	Engineer IV	\$341.00	Detail design and studies
E	Engineer III	\$309.00	Detail design and studies
F	Engineer II	\$251.00	Detail design and studies
G	Engineer I	\$222.00	Detail design and studies

Fixed hourly billing rates shall be in US Dollars and include all i) payroll, payroll taxes and fringe benefits; ii) all reproduction and printing costs including electronic media; iii) communications costs including all phones, faxes, internet, postage, shipping, delivery, couriers; iv) computer and computer time, software or service fees, cameras, tablets, printers, scanners, office machines and related costs of operations including consumables; v) insurance costs; vi) indirect and overhead burden; and vii) profit.

The Engineer’s Classification Code is the maximum personnel rate that can be charged for the classification of work to be done. For example: data entry into any of the District’s computer systems will not be paid at a rate exceeding that of a CLASSIFICATION CODE “B”.

REIMBURSABLE EXPENSES:

Reimbursable expenses are those reasonable and necessary costs incurred on or directly for the District’s project, including necessary transportation costs, meals and lodging. Any actual expenses in non-US dollars will be converted using the conversion tables at www.x-rates.com for the applicable period. Reimbursement will be subject to the following limitations:

Meals and Incidental Expenses: Meals and incidental expenses will be limited to the Federal Per Diem rate for meals and incidentals established for the location where lodging is obtained. The current rate for all Grant County locations is \$59.00 per day. Federal Per Diem guidelines which includes the meal breakdown and Federal Per Diem rates for other locations can be found at www.gsa.gov.

Lodging: Lodging will be billed at cost, including applicable taxes, not to exceed 200% of the Federal Per Diem maximum lodging rate for the location where the work is being performed. The current federal maximum lodging rate for all Grant County locations is \$107.00. The District Representative may increase this limit in writing when circumstances require.

Travel: Air travel (at coach class or equivalent), airport shuttles, etc. billed at cost. Ground transportation by privately owned vehicle, if utilized, billed at the Internal Revenue Service mileage rate for privately owned vehicles in effect at the time of travel. Expenses for a rental car, at cost, in the ratio of one mid-size class rental car for each three Contractor’s personnel directly engaged in performance of the work at the prevailing rental rates then in effect. Rental car options such as refueling fees, GPS, collision & liability insurance, etc. will not be reimbursed by the District unless such options are approved in advance by the

District Representative. **Appropriate insurance coverage should be included in the Contractor's insurance policies.**

Other: All other expenses will be based on actual costs and include appropriate documentation.

Reimbursable expenses must be accompanied by receipts for airfare, hotel, and rental car, and any other support documentation as the District may require.

APPENDIX "D"
CHANGE ORDER
NO. __

Pursuant to Section 5, the following changes are hereby incorporated into this Contract:

- A. Description of Change:

- B. Time of Completion: The revised completion date shall be _____.
OR
The completion date shall remain _____.

- C. Contract Price Adjustment: As a result of this Change Order, the not to exceed Contract Price shall remain unchanged (be increased/decreased by the sum of \$_____ 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 \$_____, 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

Siemens Industry, Inc.

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

**APPENDIX “E”
TASK AUTHORIZATION FOR
PROFESSIONAL SERVICES**

Contract No.:	130-12168A	Task Authorization No.:		Amendment No.:	
Project Name:					

The Scope of Services covered by this authorization shall be performed in accordance with all the terms and conditions in the above referenced Contract Documents which are incorporated herein by this reference.

The District hereby requests and authorizes the Contractor to perform the following services:

Sample Only

Compensation is to be paid in accordance with and subject to the limitations in Section 4.A of the Contract Documents. In addition, the total cost of the above described work shall not exceed \$_____ without advance amendment of this Task Authorization by the District.

Public Utility District No. 2
of Grant County, Washington

Siemens Industry, Inc.

Approved for District

Accepted by Contractor

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: District Representative

Title: _____

Date: _____

Date: _____

APPENDIX "F"
NON-DISCLOSURE AGREEMENT

This Non-Disclosure Agreement ("NDA") is entered into on the date shown on the signature page between Public Utility District No. 2 of Grant County, Washington ("District"), and _____, ("Contractor"), sometimes collectively referred to as the "Parties."

RECITALS

The District has identified and designated certain information as confidential. For purposes of this Agreement, "Protected Information" includes:

- District customer information protected under RCW 19.29A, Consumers of Electricity;
- District employee information;
- District vendor information;
- All technical and business information or material that has or could have commercial value or other interest in the business or prospective business of the District;
- All information and material provided by the District which is not an open public record subject to disclosure under RCW 42.56, Public Records Act;
- All information of which unauthorized disclosure could be detrimental to the interests of the District or its customers, whether or not such information is identified as Protected Information; and
- Any information identified and designated by the District as Security Sensitive Information (SSI), Critical Energy Infrastructure Information (CEII), and/or Critical Infrastructure Protection (CIP) Protected Information in accordance with the State of Washington, Federal Energy Regulatory Commission (FERC) and/or North American Reliability Corporation (NERC), which have established regulations for the protection of sensitive plans, drawings, and records defined as SSI, CEII, and/or CIP Protected Information. SSI, CEII, and CIP Protected Information are further defined in Appendix "G".

Because of the sensitive nature of such information that may be provided to the Contractor, Contractor must execute and deliver this NDA to the District prior to receiving such Protected Information from the District.

NOW, THEREFORE, the Parties agree as follows:

1. **Incorporation by Reference.** The recitals set forth above are incorporated herein as if fully set forth.
2. **Protected Information Disclosure.** All information and drawings that are disclosed by the District to the Contractor, which are designated as confidential, SSI, CEII, and/or CIP Protected Information, shall be protected hereunder as Protected Information.

3. **Non-Disclosure.** Subject to the provisions of Section 4 and unless the parties agree otherwise, this non-disclosure obligation shall survive the termination of this NDA. Contractor shall not disclose or disseminate Protected Information and shall:
 - A. Restrict disclosure of Protected Information solely to its agents and employees with a need to know and not disclose such Protected Information to any others; and
 - B. Advise and require all of its officers, agents, employees, representatives, prospective and successful subcontractors, consultants and employees thereof with access to the Protected Information to execute an NDA in this same form with the District prior to allowing them access to the Protected Information; and
 - C. Use the Protected Information provided hereunder only for purposes directly related to performance of the work Contract 130-12168A.
 - D. In the event third parties attempt to obtain the Protected Information by legal process, the Contractor agrees that it will not release or disclose any Protected Information until the District has received notice of the legal process and has been given reasonable opportunity to contest such release of information and/or to assert the confidentiality privilege.
4. **Ownership and Return of Protected Information.** All Protected Information shall remain the property of the District. Contractor is responsible for safeguarding and returning all Protected Information or shall certify, by signed, statement delivered to the District, the destruction of all original Protected Information provided along with any copies made by the Contractor. Such delivery shall be to the District, Attention: Emilie DeLong, PO Box 878, Ephrata, WA 98823.
5. **Compliance Audit.** The District may audit Contractor's compliance with this NDA.
6. **Applicable Law.** This NDA is made under, and shall be construed according to, the laws of the State of Washington and the Federal Energy Regulatory Commission regulations. Venue for any action brought pursuant to this NDA shall, at the District's option, be in Grant County Superior Court, Grant County, Washington or in the United States District Court for the Eastern District of Washington.
7. **Assignment.** This NDA may not be assigned.
8. **Violations.** Contractor understands and agrees that the District is providing the Protected Information to Contractor in reliance upon this NDA, and Contractor will be fully responsible to the District for any damages or harm caused to the District by a breach of this NDA by Contractor or any of its officers, directors, agents, employees, subcontractors, consultants or affiliates. Contractor acknowledges and agrees that a breach of any of its promises or agreements contained herein will result in irreparable injury to the District for which there will be no adequate remedy at law, and the District shall be entitled to apply for equitable relief, including injunction and specific performance, in the event of any breach or threatened breach or intended breach of this NDA by Contractor. Such remedies, however, shall not be deemed to be the exclusive remedies for any breach of the Agreement but shall be in addition to all other remedies available at law or in equity. In addition to injunctive relief, civil or criminal penalties may be imposed for each violation of this NDA.
9. **Attorney's Fees.** In the event it is necessary for the District to utilize the services of an attorney

to enforce any of the terms of this NDA, it shall be entitled to compensation for its reasonable attorney's fees and costs. In the event any legal action becomes necessary to enforce the provisions of the NDA, the substantially prevailing party shall be entitled to reasonable attorney's fees and costs in addition to any other relief allowed, regardless of whether the dispute is settled by trial, trial and appeal, arbitration, mediation, negotiation or otherwise, and regardless of whether suit is formally filed.

10. **Corporate Authority; Binding Signatures.** The individual executing this NDA on behalf of Contractor warrants that he or she is an authorized signatory of the entity for which they are signing, and have sufficient institutional authority to execute this NDA.
11. **Electronic Signatures.** Signatures transmitted electronically shall be deemed valid execution of this NDA, binding on the parties.
12. **Effective Date and Term.** This NDA shall become effective immediately and remain in full force and effect until Contractor has returned all Protected Information to the District provided, however, the obligations contained in Section 3 shall survive the termination of this NDA.

CONTRACTOR: Name: _____

Address: _____

Phone: _____

Email: _____

Signature: _____

Print Name: _____

Title: _____

Date: _____

APPENDIX “G”
DEFINITIONS OF PROTECTED INFORMATION

Definition of Critical Infrastructure Protection (CIP)

Pursuant to section 215 of the Federal Power Act (FPA), the Federal Energy Regulatory Commission (FERC) approved the Critical Infrastructure Protection (CIP) Reliability Standards. The CIP Reliability Standards require certain users, owners, and operators of the Bulk-Power System to comply with specific requirements (CIP-002 through CIP-014) to safeguard critical cyber assets. Penalties for non-compliance with NERC CIP can include fines, sanctions or other actions against covered entities.

Definition of Critical Energy Infrastructure Information (CEII)

The Critical Energy Infrastructure Information (CEII) guidelines of the Federal Energy Regulatory Commission (FERC) define CEII as specific engineering, vulnerability, operational or detailed design information about proposed or existing critical energy infrastructure (physical or virtual) that relates to the production, generation, transportation, transmission or distribution of energy, could be useful to a person planning an attack on critical infrastructure, is exempt from mandatory disclosure, and gives strategic information beyond the location of the critical infrastructure. 18 CFR §388.113 and RCW 42.56.520.

Definition of Bulk Electric System Cyber System Information (BCSI)

The North American Electric Reliability Corporation (NERC) has been designated by the FERC, through the Energy Policy Act of 2005, to establish and enforce standards and requirements for the reliable operation of the Bulk Electric System. The Bulk Electric System includes the District’s electrical generation resources, transmission lines, and interconnections with neighboring electric systems. Information related to the District’s Bulk Electric System Cyber Systems (BCS) is required to be protected due to the sensitive security nature of such information, and the need to protect public safety (hereinafter referred to as “CIP Protected Information”). BCSI generally (not exclusively) is defined as information about the BCS that could be used to gain unauthorized access or pose a security threat to the BCS and affect the reliable operations of the Bulk Electric System. The District is required to protect this information including, but not limited to, network topology/diagrams; floor plans for computing centers; equipment layouts; security configuration information and other information as defined in the NERC standards. FERC Order No. 706, issued January 18, 2008; 18 CFR Part 40; and RCW 42.56.070.

Definition of Security Sensitive Information (SSI)

Security Sensitive Information is those portions of records assembled, prepared, or maintained to prevent, mitigate, or respond to criminal or terrorist acts, which are acts that significantly disrupt the ability of the District to fulfill its mission and goals and that manifest an extreme indifference to human life, the public disclosure of which would have a substantial likelihood of threatening public safety. SSI includes: (a) Specific and unique vulnerability assessments or specific and unique response or deployment plans, including compiled underlying data collected in preparation of or essential to the assessments, or to the response or deployment plans; (b) Records not subject to public disclosure under federal law that are shared by federal or international agencies, and information prepared from national security briefings provided to state or local government officials related to domestic preparedness for acts of terrorism; and (c) Information regarding the infrastructure and security of computer and telecommunications networks, consisting of security passwords, security access codes and programs, access codes for secure software applications, security and service recovery plans, security risk assessments, and security test results to the extent that they identify specific system vulnerabilities.

Bulk Electric System (BES)

Unless modified by the lists shown below, all Transmission Elements operated at 100 kV or higher and Real Power and Reactive Power resources connected at 100 kV or higher. This does not include facilities used in the local distribution of electric energy. Inclusions:

- I1 - Transformers with the primary terminal and at least one secondary terminal operated at 100 kV or higher unless excluded by application of Exclusion E1 or E3.
- I2 – Generating resource(s) including the generator terminals through the high-side of the step-up transformer(s) connected at a voltage of 100 kV or above with: a) Gross individual nameplate rating greater than 20 MVA. Or, b) Gross plant/facility aggregate nameplate rating greater than 75 MVA.
- I3 - Blackstart Resources identified in the Transmission Operator’s restoration plan
- I4 - Dispersed power producing resources that aggregate to a total capacity greater than 75 MVA (gross nameplate rating), and that are connected through a system designed primarily for delivering such capacity to a common point of connection at a voltage of 100 kV or above. Thus, the facilities designated as BES are: a) The individual resources, and b) The system designed primarily for delivering capacity from the point where those resources aggregate to greater than 75 MVA to a common point of connection at a voltage of 100 kV or above.
- I5 –Static or dynamic devices (excluding generators) dedicated to supplying or absorbing Reactive Power that are connected at 100 kV or higher, or through a dedicated transformer with a high-side voltage of 100 kV or higher, or through a transformer that is designated in Inclusion I1 unless excluded by application of Exclusion E4.

Bulk Electric System (BES) Cyber Asset

A Cyber Asset that if rendered unavailable, degraded, or misused would, within 15 minutes of its required operation, misoperation, or non-operation, adversely impact one or more Facilities, systems, or equipment, which, if destroyed, degraded, or otherwise rendered unavailable when needed, would affect the reliable operation of the Bulk Electric System. Redundancy of affected Facilities, systems, and equipment shall not be considered when determining adverse impact. Each BES Cyber Asset is included in one or more BES Cyber Systems.



**APPENDIX “H”
BACKGROUND CHECK/IDENTITY VERIFICATION BY CONTRACTOR/VENDOR**

Contractor Name: Siemens Industry, Inc. Date: _____

Contract Number: 130-12168A Procurement Officer: Emilie DeLong

Project Manager: Jesus Lopez

In accordance with NERC Reliability Standards CIP 002-011, we are providing Public Utility District No. 2 of Grant County, Washington certification of background checks performed on personnel who will require authorized Unescorted Physical Access and/or Electronic Access to District High or Medium Impact BES Cyber Systems, and their associated EACMS and PACS.

Accordingly, we certify that:

1. A background check has been conducted on the following employee(s) that includes a seven year criminal history records check, a current residence check and a residence check at other locations where, during the seven years immediately prior to the date of the criminal history records check, the employee has resided for six consecutive months or more; and the assessment of the employee is consistent with the safe and efficient performance of the services and meets the minimum standard for criminal checks as set forth by the attached Evaluation Criteria.

2. Employment eligibility identity verification has been completed to ensure employee is legally permitted to work in the United States. (Citizenship, Federal I-9 form verification)

Employee Name	Background Check Completion Date	Indicate Pass (P) or Fail (F)	Identity Verification Completion Date	PRA Completion Date (District use only)

(Do not send actual background check documents)

Name of company where background check was performed: _____

Certified by: _____

Title: _____

Phone No.: _____

Email: _____

Return this form to: CIPDocuments@gcpud.org

*****Access will not be granted until this Background Check has been completed and training taken*****

These are sub-sections of the “Grant County PUD Personnel Risk Assessment Program” relevant to Vendor(s) and/or Contractor(s). For the complete program please contact rcstaff@gcpud.org

Evaluation Criteria:

Contractors with physical or electronic access to District High or Medium Impact BES Cyber Systems and their associated EACMS and PACS, shall certify a background check was met using the following criteria:

Whether the individual has ever been convicted of any of the following FELONIES:

- Murder
- Kidnapping
- Manslaughter
- Fraud, theft, and/or robbery
- Criminal sexual conduct
- Arson

Whether the individual has ever been convicted of the following MISDEMEANORS:

- Violence related
- Honesty related

Whether the individual has ever been convicted of a single misdemeanor, other than minor traffic offenses, which are generally defined as traffic offenses that did not involve property damage and/or personal injury.

Individual is not currently awaiting adjudication on any criminal charge other than minor traffic offenses, which, again, are generally defined as traffic offenses that did not involve property damage and/or personal injury.

In the event the individual has been convicted of a felony or misdemeanor, the Contractor shall not assign such individual to a District location without first discussing such conviction with the District and obtaining the approval of the District’s PRA Committee for such assignment in accordance with the District’s Personnel Risk Assessment Program. The District reserves the right to refuse the assignment of an individual who does not pass the above Evaluation Criteria after review and consideration of the extenuating circumstances by the District’s PRA Committee.

FOR GRANT PUD USE ONLY

If Background Check failed enter date of PRA Committee Review: _____ Pass ___ Fail ___
(Check one)

Signature of PRA Committee member: _____

APPENDIX "I"
CONTRACTOR SAFETY REQUEST FOR INFORMATION



Contractor Safety Request for Info

Contractor Company Name:		Prepared By:	
Address:		Title:	
		Phone #:	
		Date:	

Years in business under current company name: _____

PRINCIPAL BUSINESS ACTIVITY:

- | | | |
|--|--|---|
| <input type="checkbox"/> Blasting/Painting | <input type="checkbox"/> Instrumentation | <input type="checkbox"/> Machining |
| <input type="checkbox"/> Cranes | <input type="checkbox"/> Lead/Asbestos Abatement | <input type="checkbox"/> Welding/Piping |
| <input type="checkbox"/> Excavation | <input type="checkbox"/> Cement Work | <input type="checkbox"/> Electrical |
| <input type="checkbox"/> Heavy Transport | <input type="checkbox"/> Drilling | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Labor Service | <input type="checkbox"/> General Construction | |
| <input type="checkbox"/> Scaffold | <input type="checkbox"/> Hydro-Blasting/Cleaning | |

EXPERIENCE MODIFICATION RATE:

Provide the following health, safety, and environmental (HSE)-related information:

List your company's interstate or intrastate (if applicable) Experience Modification Rate (EMR) for the three (3) most recent years, as evidenced in workers' compensation insurance premiums:

Last Year: _____ 2-Years Ago: _____ 3-Years Ago: _____

Higher rates may require a corrective action plan for your company. Provide a copy of the letter from your insurance broker or insurance company evidencing the rate for the last 3 years.

- Check this box if your company has less than the minimum number of employees required by law to carry workers' compensation insurance or if your company does

not have an EMR. (If checked, provide a letter from your insurance company stating this.)

Fill in the following information for the last three available years (use your OSHA 300 Logs)		Last Year	2-Yrs Ago	3-Yrs Ago
(A)	Number of fatalities each year			
(B)	Number of lost workday/restricted activity each year			
(C)	Recordable injury cases each year			
(D)	Total hours each year (do not include non-work time, even though paid)			
(E)	Injury incident rate = <u>NO. OF RECORDABLE INJURIES x 200,000</u> <u>TOTAL HOURS FOR YEAR</u>			

If your company experienced a work-related fatality during this period, provide a brief description of the causes and corrective actions taken. N/A

Has Washington State Labor & Industries, OSHA, EPA, or other State or Federal enforcement agency(s) cited and assessed penalties against your company for any “serious,” “willful” or “repeat” violations in the past five years? Yes No

If “yes,” attach a separate page describing the citations, including information about the dates of the citations, the nature of the violation, the project on which the citation(s) was or were issued, the amount of penalty paid, if any. If the citation was appealed to the agency Appeals Board and a decision has been issued, state the case number and the date of the decision.

NOTE: If you have filed an appeal of a citation and the agency appeals Board has not yet ruled on your appeal, or if there is a court appeal pending, you need not include information about the citation.

Does your company have a written HSE program?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, attach a copy or a summary of your program, including HSE policy you may have.		
Have an orientation program for new hires?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Have training program for newly hired/promoted foremen and supervisors?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you hold workplace HSE meetings for supervisors?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, how often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Do you hold employee “toolbox” HSE meetings?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, how often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Do you conduct pre-task HSE planning meetings with employees?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

If yes, briefly describe the program format and/or attach a copy.

Do you conduct workplace HSE inspections?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, who conducts this inspection? How often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Is the company a member of any external HSE program that awards certificates of recognition?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, list certificates of recognition your company has received within the past 3 years:		

Indicate elements included in your overall HSE program	HSE Program	New Hire Training	Supervisor/Foreman Training
Corporate HSE Policy			
HSE Workplace Committee			
HSE Inspections and Audits			
Personal Protective Equipment			
Hazard Assessment and Communication			
Task Assignment Training			
Respiratory Protection			
Fall Protection			
Scaffolding and Ladders			
Perimeter Guarding			
Housekeeping			
Fire Protection/Prevention			
First- Aid Procedures/Facilities			
Emergency Procedures			
Toxic Substances/Hazard Communication			
Trenching and Excavation			
Signs, Barricades, and Flagging			
Electrical Safety			
Rigging and Crane Safety			
Safe Work Practices			
Safety Supervision			
Toolbox/Workplace HSE Meetings			
Incident Investigation/Reporting			
Abrasive Blasting Safety			

	Substance Abuse			
	Vehicle Safety			
	Use of Compressed Gas Cylinders			
	Welding/Cutting			
	Medical Evaluation			
	Blood borne Pathogens			
	Employee Discipline			
	High-Pressure Water Cleaning			
	Hot Taps			
	Noise/Hearing Conservation			
	Heat/Cold stress			
	Incentives/Awards for HSE Achievements			
	Spill Prevention/Response			
	Dust Suppression			
	Wastewater/Storm Water Management			
	Hazardous Waste and Solid Waste Management			
	Equipment Emissions			
	Wetlands/Sensitive Habitats			

THIS INFORMATION MUST BE FURNISHED TO GRANT PUD PRIOR TO THE BIDDING OF ANY CONTRACT OR ONSITE LABOR

For further information or assistance in meeting these requirements, please contact the designated Grant PUD District Representative.

REVIEW/APPROVAL SIGNATURES
GRANT PUD USE ONLY

<p style="text-align: center;">REQUIRED SIGNATURE</p> <p>SAFETY: _____ DATE _____</p> <p>DISTRICT REP. _____ DATE _____</p>	<p style="text-align: center;"> <input type="checkbox"/> RECEIVED <input type="checkbox"/> FURTHER REVIEW </p>
---	---

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement, effective upon full execution, is by and between Public Utility District No. 2 of Grant County, Washington (“District”) and S&C Electric Company (“Contractor”);

R e c i t a l s :

The District desires to obtain Professional Engineering Services; and

The District's Managing Director of Power Delivery believes this Professional Engineering Services are required to meet system studies and analysis needs that are above and beyond the ability of the District to perform with existing staff levels; and

The Contractor, through an established review procedure as specified by RCW Chapter 39.80, has been selected and is willing to provide services on the terms and conditions hereinafter stated.

NOW, THEREFORE, in consideration of the mutual covenants herein, the parties hereto agree as follows:

1. Scope of Services

Contractor shall provide the District with engineering services associated with system studies and analysis as identified in accordance with Appendix “B”, Scope of Services Requirements.

Engineering services provided under this Agreement may include, but are not limited to, the tasks listed in Appendix “A”.

The District will authorize the Contractor to perform specific tasks by means of a Task Authorization for Professional Services (Appendix “E”) to be signed by both the District and the Contractor. Such authorization may be issued by the District Representative. The authorization will define the scope of the task, any time requirements and budget limitations.

The District makes no guarantee as to the actual amount of work to be done. The District reserves the right to suspend or terminate any authorized task at any time or to extend the Contract beyond the initial term by issuance of a Change Order in accordance with Section 5 to complete any work already initiated and/or authorized under the original term and scope of the Contract.

2. Independent Contractor

A. The Contractor shall operate as, and have the status of, an independent Contractor and will not be an agent or employee of the District nor will it be entitled to any employee benefits provided by the District. All the Contractor’s activities will be conducted at its own risk and be in compliance with all federal, state and local laws.

B. The Contractor shall perform its services with the level of skill, care and diligence normally provided by and expected of professional persons performing services similar to or like those to be performed hereunder. Contractor understands that the District will be relying upon the accuracy, competency, credibility and completeness of the services provided by the Contractor hereunder and that the District and its customers will be utilizing the results of such services.

3. Term - Schedule

This Agreement shall remain in full force and effect until December 30, 2025 or until terminated pursuant to Section 17.

4. Compensation and Payment

A. Compensation for services rendered and all reimbursable costs shall be per the rates set forth in Appendix "C", Rate Schedule, which rates and costs shall not be subject to change until two years after the effective date of this Agreement. Any changes to rates and costs shall only be on a prospective basis and shall occur no more frequently than once every 12 months thereafter. Each such change shall not exceed the lesser of i.) 5% or ii.) the percentage increase in the Bureau of Labor Statistics Consumer Price Index (CPI-U) for the West Urban region occurring during the immediately preceding 12 month period for which CPI-U data is available. Contractor shall notify the District in writing at least 30 days prior to any such rate increase going into effect. In no event however, shall the total amount paid to Contractor for services and all reimbursable costs exceed the sum of \$750,000.00 USD unless a Change Order authorizing the same is issued in accordance with Section 5 below.

B. Contractor shall submit monthly invoices to the attention of:

Public Utility District No. 2
of Grant County, Washington
Attn: Accounts Payable
PO Box 878
Ephrata, WA 98823
Or AccountsPayable@gcpud.org

C. Invoices shall include the Contract number and a detailed description of the work performed. Any Labor Categories or reimbursable expenses shall be included on the invoice (see Appendix "C").

D. Payment will be made by the District following District's receipt of Contractor's invoices. Invoice shall be subject to the review and approval of the District. Invoice shall be in a detailed and clear manner supported by such information the District may require. The District will make payment to Contractor within 30 days after District's receipt of said invoice. Contractor understands and agrees that by executing this Contract with the District, the District shall make payment(s) by automated clearing house (ACH).

E. The District Representative may approve additional Contractor employees, personnel categories, and/or equipment rates to be added to the Rate Schedule, if applicable, provided that any additional employees have at least equivalent training and skills and are compensated at the same or lower rates than those listed on the current approved Rate Schedule for similar work. There shall be no change in the total Contract not to exceed amount. All additions must be approved in writing prior to performing services under the Contract.

5. Change Orders

Except as provided herein, no official, employee, agent or representative of the District is authorized to approve any change in this Contract and it shall be the responsibility of the Contractor before proceeding with any change, to satisfy itself that the execution of the written Change Order has been properly authorized on behalf of the District. The District's management has limited authority to approve Change Orders. The current level and limitations of such authority are set forth in District Resolution No. 8609 which may be amended from time to time. Otherwise, only the District's Board of Commissioners may approve changes to this Contract.

Charges or credits for the work covered by the approved changes shall be determined by written agreement of the parties and shall be made on Change Order form as reflected on Appendix "D".

When a change is ordered by the District and agreed by the Contractor, as provided herein, a Change Order shall be executed by the District and the Contractor before any Change Order work is performed. When requested, Contractor shall provide a detailed proposal for evaluation by the District, including details on proposed cost. The District shall not be liable for any payment to Contractor, or claims arising there from, for Change Order work which is not first authorized in writing. All terms and conditions contained in the Contract Documents shall be applicable to Change Order work. Change Orders shall be issued on the form attached as Appendix "D" and shall specify any change in time required for completion of the work caused by the Change Order and, to the extent applicable, the amount of any increase or decrease in the Contract Price.

6. Taxes

- A. Except for the Washington State retail sales and use taxes as may be levied upon the Contract, pursuant to RCW Chapters 82.08 and 82.12, the Contract Price includes and the Contractor shall have the full exclusive liability for the payment of all taxes, levies, duties and assessments of every nature due and payable in connection with this Contract or its employees and subcontractors performing work related to this Contract.
- B. Washington State retail sales tax and use taxes levied upon this Contract pursuant to RCW Chapters 82.08 and 82.12 are excluded from the rates and if applicable will be reimbursed as follows:
 - 1. If the Contractor has, or is required to have a valid Washington State sales tax identification number, the identification number shall be furnished to the District upon request. The Contractor shall make payment of any Washington State retail sales and use taxes due and Contractor shall be reimbursed by the District for the same. Contractor shall be solely responsible for any interest or penalties arising from late or untimely payment of said taxes.
 - 2. If the Contractor is not required to have a valid Washington State sales tax identification number, it shall notify the District of the same. In such event, the District, after receiving proper invoices from Contractor, shall make payment of said Washington State retail sales and use taxes levied upon this Contract to the Washington State Department of Revenue.

7. Hold Harmless and Indemnification

To the extent directly attributable to the Contractor, Contractor shall, at its sole expense, indemnify, defend, save, and hold harmless the District, its officers, agents, and employees from all actual or potential claims or direct losses, including costs and legal fees at trial and on appeal, and direct

damages or claims for direct damages to property or persons, suffered by anyone whomsoever, including the District, to the extent directly caused by any negligent act of or omission of the Contractor or its subcontractors, excluding damages caused by the negligence of the District, in the administration or performance of this Agreement or any subcontracts, and for which either of the parties, their officers, agents, or employees may or shall be liable. In situations where liability for damages arises from claims of bodily injury to persons or damage to property, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Contractor or its subcontractors. Contractor waives its immunity under industrial insurance, Title 51 RCW, to the extent necessary to effectuate this indemnification/hold harmless agreement. Contractor's indemnification obligation shall not apply to liability for damages arising out of bodily injury to a person or damage to property caused by the negligence of the District or its agents or employees and not attributable to any act or omission on the part of the Contractor. In the event of damages to a person or property caused by or resulting from the concurrent negligence of District or its agents or employees and the Contractor or its agents or employees, the Contractor's indemnity obligation shall apply only to the extent of the Contractor's (including that of its agents and employees) negligence. The Contractor shall not be liable for any lost profits or indirect, incidental, consequential, or special damages, even if the Contractor has been notified that those kinds of damages may occur. In no event shall the Contractor's total liability hereunder exceed an amount equal to the value of this Agreement provided that this total liability shall not apply to damages covered by Contractor's insurance coverages as required in Section 8.

Contractor acknowledges that by entering into this Contract with the District, it has mutually negotiated the above indemnity and limitation of liability provisions with the District. Contractor's liability, indemnity and defense obligations shall survive the termination or completion of the Contract and shall remain in full force and effect until satisfied in full.

8. 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 **limits**:

- e. \$1,000,000 Each Occurrence
- f. \$1,000,000 Personal Injury Liability
- g. \$2,000,000 General Aggregate
- 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.

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 **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.

4. **Excess Insurance:** Excess (or Umbrella) Liability insurance with a **limit of \$5,000,000 per occurrence and in the aggregate**. This insurance shall provide coverage in excess of the underlying primary liability limits, terms, and conditions for each category of liability insurance in the foregoing subsections 1, 2 (Employer's Liability only) and 3.

Umbrella/Excess 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.

5. **Professional Liability/Network Security Insurance:** Contractor shall obtain professional errors and omissions liability insurance in an amount of **\$5,000,000 per claim and in the aggregate**. Coverage shall respond to wrongful acts in the rendering of, or failure to render, professional services under this Agreement, electronic data losses or damage or breaches of electronic data security including disclosures of private or Protected Information of the District or any employee, participant or beneficiary of the Services provided by Contractor pursuant to this

contract. The Professional Liability Insurance retroactive coverage date shall be no later than the effective date of this agreement. Contractor shall continuously maintain such insurance or purchase an extended reporting period providing that claims first made and reported to the insurance company within two years after termination of the Agreement will be deemed to have been made during the policy period.

If Contractor shall hire subcontractor for all operations and risk involving professional network services exposure, this requirement may be satisfied by subcontractor's policies. Contractor shall impute the insurance requirements stated in this section to subcontractor by written contract or written agreement. Any exceptions must be mutually agreed in writing with 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 endorsements 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 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.

9. Assignment

Neither party may assign this Agreement, in whole or in part, voluntarily or by operation of law, unless approved in writing by the other party.

10. Records - Audit

- A. The results of all work and services performed by the Contractor hereunder shall become the property of the District upon full and complete payment to the Contractor.
- B. Until the expiration of two years after the Contractor's completion of all the work, Contractor shall keep and maintain complete and accurate records of its costs and expenses related to the work or this Contract in accordance with sound and generally accepted accounting principles applied on a consistent basis. To the extent this Contract provided for compensation on a cost-reimbursable basis or whenever such records may, in the opinion of the District, be useful in determining any amounts payable to Contractor or District (e.g., the nature of a refund, credit or otherwise), Contractor shall provide District reasonable access to all such records for examination, copying and audit at the District's sole cost and expense and at a mutually agreed time and place.

11. Nondisclosure

Contractor agrees that it will not divulge to third parties, without the written consent of the District, any confidential information obtained from or through District in connection with the performance of this Contract. Contractor further agrees that it will not, without the prior written consent of District, disclose to any third party any information developed or obtained by the Contractor in the performance of this Contract and, if requested by District, will execute a nondisclosure agreement in the for included herein as Appendix "F" prior to performing any services under this Contract. Nothing in this section shall apply to:

- A. Information which is already in the Contractor's possession not subject to any existing confidentiality provisions,
- B. Information which, at the time of disclosure, is in the public domain by having been printed and published and available to the public libraries or other public places where such data is usually collected, and
- C. Information required to be disclosed by court order or by an agency with appropriate jurisdiction.

12. Public Records Act

The District is subject to the disclosure obligations of the Washington Public Records Act of RCW 42.56. The Contractor expressly acknowledges and agrees that any information Contractor submits is subject to public disclosure pursuant to the Public Records Act or other applicable law and the District may disclose Contractor's proposal and/or information at its sole discretion in accordance with its obligations under applicable law.

13. Applicable Law

Contractor shall comply with all applicable federal, state and local laws and regulations including amendments and changes as they occur. All written instruments, agreements, specifications and other writing of whatsoever nature which relate to or are a part of this Agreement shall be construed,

for all purposes, solely and exclusively in accordance and pursuant to the laws of the State of Washington. The rights and obligations of the District and Contractor shall be governed by the laws of the State of Washington. Venue of any action filed to enforce or interpret the provisions of this Agreement shall be exclusively in the Superior Court, County of Grant, State of Washington or the Federal District Court for the Eastern District of Washington at the District's sole option. In the event of litigation to enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable legal fees in addition to any other relief allowed.

14. Subcontracts/Purchases

The Contractor is not authorized to enter into any subcontracts or make any purchases of materials or equipment.

15. Notices

Any notice or other communication under this Contract 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.

District

Jesus Lopez
Public Utility District No. 2
of Grant County, Washington
PO Box 878
154 A Street SE
Ephrata, WA 98823
(509) 754-1496
Jlopez@gcpud.org

Contractor

Eric Wagner
S&C Electric Company
6601 N Ridge Blvd
Chicago, Illinois 60626
(773) 338-1000
Eric.wagner@sandc.com

For purposes of technical communications and work coordination only, the District designates Jesus Lopez as its representative. Said individual shall have no authority to authorize any activity which will result in any change in the amount payable to Contractor. Such changes, if any, must be by written Change Order issued in accordance with Section 5 to be valid and binding on the District.

16. Ownership of Work Product/Copyright

- A. All rights in the various work produced for or under this Agreement, including but not limited to study plans, results, drafts, charts, graphs, videos, summaries and any other forms of presentation, collectively referred to as "Work Product" shall belong to and be the exclusive property of the District upon full and complete payment to the Contractor. Contractor shall not use the Work Product outside the scope of this Contract without express written permission from the District.
- B. Contractor acknowledges and agrees that all services/work are specifically ordered under an agreement with Public Utility District No. 2 of Grant County, Washington, and shall be considered "work made for hire" and "Work Product" for purposes of copyright. All copyright interest in Work Product shall belong to and be the exclusive property of the District.

- C. Contractor shall attach and require each of its subcontractors to attach the following statement to all Work Product:

©. PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON. ALL RIGHTS RESERVED UNDER U.S. AND FOREIGN LAW, TREATIES AND CONVENTIONS.

THE ATTACHED WORK WAS SPECIFICALLY ORDERED UNDER AN AGREEMENT WITH PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON. ALL RIGHTS IN THE VARIOUS WORK PRODUCED FOR OR UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO STUDY PLANS AND STUDY RESULTS, DRAFTS, CHARTS, GRAPHS AND OTHER FORMS OF PRESENTATION, SUMMARIES AND FINAL WORK PRODUCTS, ARE THE EXCLUSIVE PROPERTY OF THE DISTRICT.

- D. Upon full and complete payment to Contractor, Contractor shall immediately turn over to the District all Work Product. This does not prevent the Contractor from making a file copy for their records.

17. Termination

- A. District may, at any time, for any reason, terminate Contractor's services in connection with this Agreement, or any part thereof, by designating that portion of the services to be terminated. In case of termination pursuant to this Section A, District will make payment at the rates specified in this Agreement for services properly performed up to the date of termination and for all reasonable cancellation charges incurred as a direct result of such termination. However, in no event shall Contractor be entitled to any other payment to or any anticipated fee or profit on unperformed work.
- B. In the event of Contractor's breach or abandonment of this Contract, the District may with reasonable written notice, terminate this Agreement, provided Contractor is afforded a reasonable opportunity to cure the alleged breach and fails to do so within a reasonable period of time.

18. Non-Waiver

No waiver of any provision of this Agreement, or any rights or obligations of either Party under this Agreement, shall be effective, except pursuant to a written instrument signed by the Party or Parties waiving compliance, and any such waiver shall be effective only in the specific instance and for the specific purpose stated in such writing. The failure of either Party to require the performance of any term of this Agreement or the waiver of either Party of any breach under this Agreement shall not operate or be construed as a waiver of any other provision hereof, nor shall it be construed as a waiver of any subsequent breach by the other Party hereto.

19. Physical Security

If any performance under this Contract is to be conducted on District facilities or worksites, it shall be the responsibility of the Contractor to ensure that its employees and those of its Subcontractors are informed of and abide by the District's Security Policies as if fully set out herein a copy of which shall be provided to the Contractor by the District Representative at the preconstruction meeting or

prior to beginning work. Without limiting the foregoing, Contractor and its employees shall be required to:

- A. Keep all external gates and doors locked at all times and interior doors as directed.
- B. Visibly display ID badges on their person at all times.
- C. Stay out of unauthorized areas or in authorized areas outside of authorized work hours, without express authorization from the District.
- D. Provide proper notification to the appropriate parties, and sign in and out upon entry and exit to secured locations. If unsure of who to notify, Contractor shall contact the District Representative.
- E. Immediately notify the District if any of Contractor's employees no longer need access or have left the Contractor's employment.
- F. Immediately report any lost or missing access device to the District Representative. A minimum charge will be assessed to the Contractor in the amount of \$50.00 per badge and the fee for lost or non-returned keys may include the cost to re-key the plant facilities. The Contractor is strictly prohibited from making copies of keys.
- G. Not permit 'tailgating' through any controlled access point (i.e. person(s), authorized or unauthorized, following an authorized person through an entry point without individual use of their issued ID badge or key).
- H. Return all District property, including but not limited to keys and badges, to the District Representative when an individual's access to the facility is no longer needed.
- I. Guest Wireless: The District provides Guest Wireless Internet access to contractors and vendors that need to conduct business in support of the District from personally owned mobile devices such as laptops and smart phones. Contractor personnel are responsible for exercising good judgment regarding appropriate use of information, electronic devices, and network resources.

The Contractor and any Subcontractors shall comply with the safety requirements of these Contract Documents and all District policies pertaining to COVID-19 located at <https://www.grantpud.org/for-contractors>.

20. Security, Safety Awareness Training, Dam Safety Awareness Training, and Transmission and Distribution Access Training

Prior to receiving access to any District facilities, all Contractors, Contractor's employees, subcontractors and subcontractor's employees, material suppliers and material supplier's employees, or any person who will be engaged in the work under this Contract that requires access to District facilities, shall be required to take and pass the District's Security and Safety Awareness training before being issued a security access badge to access District facilities. Under no circumstances will the failure of any Contractor or subcontractor employee to pass the required training, be grounds for any claim for delay or additional compensation.

The Safety and Security Awareness training is available online and is a 20-30 minute training. The training is located at: <https://www.grantpud.org/for-contractors>. All contractors and their employees are required to successfully complete Safety and Security Awareness training before coming onsite. The Security and Safety certificates should be emailed directly to SecurityTrainingCerts@gcpud.org.

District Representative shall ensure that Contractor's employees, subcontractor's and subcontractor's employees have completed and submitted the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted before any security access badges will be issued.

If applicable, Dam Safety Awareness Training is required for Contractors who are performing work in and around Priest Rapids and Wanapum Dams and are badged. The training is available online only and is a 20-30 minute training. Contractor shall ensure that its employees, Subcontractors and Subcontractor's employees have completed, passed and printed the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted to the District Representative before any security access badges will be issued.

If applicable, Transmission and Distribution Access Training is required for Contractors, or their Subcontractors, who may hold a clearance or hotline hold order as part of performance of work under this Contract. The training is available online only and is a 20-30 minute training. Contractor shall ensure that its employees, Subcontractors and Subcontractor's employees have completed, passed and printed the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted to the District Representative before any security access badges will be issued.

If you are uncertain which of the above courses you or your employees must complete, please contact your District Representative.

21. Protected Information

The State of Washington, Federal Energy Regulatory Commission (FERC) and/or North American Reliability Corporation (NERC) has established regulations for the protection of sensitive plans, drawings and records defined as Security Sensitive Information (SSI), Critical Energy Infrastructure Information (CEII) and/or Bulk Electric System Cyber System Information (BCSI), reference Appendix "G". In accordance with the Revised Code of Washington (RCW), FERC and NERC regulations, and using them as guidance, the District has identified and designated certain information as SSI, CEII, and/or BCSI (hereinafter referred to collectively as "Protected Information"). Because of the sensitive nature of certain District Protected Information that could be used in this Contract, Contractor is bound by the terms and conditions set forth in the Non-Disclosure Agreement (NDA) previously executed with the District during the proposal process and included as Appendix "F".

22. Background Checks

The District reserves the right to conduct or to require Contractor to conduct criminal background checks on its employee(s) before the District will grant such individuals access to secure areas of District facilities or electronic access to Bulk Electric System Cyber Assets or Protected Information. Criminal background checks may be conducted in such depth as the District reasonably determines to be necessary or appropriate for the type of access to be granted.

In the event the District determines in its reasonable discretion that an individual is unsatisfactory to the District or fails to provide a background check as requested by the District, the District reserves the right to require the Contractor to remove such individual from the job site and/or to exclude such individual from having any access to SSI, Bulk Electric System Cyber Assets, CEII, or BCSI.

23. Qualification of Contractor’s Access and Personnel Change Approval

The District reserves the right to deny any Contractor or employee thereof access to District facilities or Protected Information at the District’s sole discretion. The District will be the sole judge of such effect. All Contractors and employees thereof shall be subject to the nondisclosure provisions of this Contract.

The District reserves the right to conduct or to require Contractor to conduct criminal background checks, provide an identity validation document (I-9, Social Security card, driver’s license) and complete the District provided training for its employee(s) before the District will grant such individuals access to secure areas of District facilities. Criminal background checks may be conducted in such depth as the District reasonably determines to be necessary or appropriate for the type of access to be granted. Contractor shall execute one certification for each employee requiring a background check on the form provided by the District and attached hereto as Appendix “H”. The cost of such background checks shall be borne by the Contractor. For access to Protected Information relating to Critical Infrastructure Protection, the District reserves the right to require a Non-Disclosure Agreement and a certificate of completion from the District-provided training for each employee before the District will grant access to such individuals.

In the event the District determines in its sole discretion that an individual or Contractor is unsatisfactory or fails to provide a background check as requested by the District, or fails to provide the information listed above, the District reserves the right to exclude such individual or Contractor from secure areas and/or from having any access to Protected Information.

24. Contractor Safety Requirements

The following applies if Contractor, or any of its sub-consultants, subcontractors, or suppliers of any tier, performs any activities on premises owned, leased, possessed, or controlled by the District. The Contractor Safety Requirements shall be required when applicable as determined by the District Representative based upon the scope of work. To the extent applicable, the Contractor shall ensure that all workers, sub-consultants, subcontractors, and suppliers comply with these requirements. In fulfilling these requirements, the Contractor shall also comply with material and equipment manufacturer instructions, and safety and health requirements in accordance with WAC 296-126-094 and this Agreement where applicable. If there are conflicts between any of the requirements referenced in the Contract Documents, the more stringent requirement shall prevail.

A. Office Work: Contractor personnel who perform work in an office environment at premises owned, leased, possessed, or controlled by the District shall be required to follow at a minimum the following safety and security requirements. This work includes but is not limited to professional services and consulting, technology-related tasks, and training services. Work activities may include working at a desk, attending meetings, touring facilities, and similar activities.

1. Access: The Security Department administers physical access to District facilities. Contractor personnel shall be issued an ID badge or visitor badge to provide access

to work areas as needed per Sections 19 and 20. Workers without authorized access to an area must be escorted at all times. Any person with authorized access may serve as an escort.

- 2. Emergency Preparedness: All Contractor personnel, when entering a facility or work area, shall determine the locations of emergency exits, fire extinguishers, first aid kits, AED, and gathering points in case of evacuation.
- 3. Housekeeping: Contractor personnel shall keep desks, cubicles, meeting rooms, and all other working areas free from clutter and tripping hazards. Work areas shall be cleaned after use according to applicable guidelines posted by the District in such work areas.

IN WITNESS WHEREOF, the Contractor and the District have executed this Agreement each by its proper respective officers and officials thereunto duly authorized the day and year first above written.

Public Utility District No. 2
of Grant County, Washington

S&C Electric Company

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX “A”

POTENTIAL TASK LISTING – “Master Agreement” for Professional Engineering Services

Transmission and Distribution Planning Analysis:

- Long range transmission planning analysis
- Load interconnection studies
- Generation siting and interconnection studies
- Transfer Capability Analysis
- NERC Compliance Analysis
- Dynamic system modeling and validation
- Reliability Analysis
- Transmission Sensitivity Studies
- Transmission System Impact Analysis
- Optimal Power Flow Analysis
- Voltage Stability Analysis
- Transient Stability Analysis
- Electromagnetic Field and Corona
- Arc Flash Hazard Analysis
- Reactive Power Compensation
- Short Circuit Studies
- Distribution long/short range plan
- Motor Start and Inrush current Analysis
- Duct bank ampacity study
- Protection Coordination Analysis
- Power Quality Analysis
- Structure aging and cost analysis
- Other tasks as identified and approved

APPENDIX "B"
SCOPE OF SERVICES REQUIREMENTS

A. ENGINEERING AND TRANSMISSION SYSTEM STUDIES

Products required shall include as a minimum:

1. Obtain models and verify initial conditions.
2. Perform studies as required.
3. Prepare and submit reports.

B. Provide the required number of hard and electronic copies of the reports, recommendations, and presentations as may be required while administering projects.

C. CONTRACTOR EQUIPMENT

It is assumed that the Contractor has the following, as a minimum set of engineering tools and equipment, when in the field and the costs of these shall be included by Contractor overheads **(individual billings for these items will not be allowed)**:

Cellular phones
Digital cameras
Laptops, iPads, Tablets, Desktops, including any and all computers, disks, printers, storage media, and other computing hardware

D. SOFTWARE

The Contractor shall provide all drawings, reports and construction packages in District standard computer format. The Contractor will provide their own copies of said software packages, unless the package is proprietary to the District. These packages include, but are not limited to:

Microsoft® Project
Microsoft® Word
Microsoft® Excel
PowerWorld Simulator with the add on features such as PV/QV tools, Available Transfer Capability, and Transient Stability
Aspen OneLiner, Aspen constants
Synergi Electric

The Contractor shall maintain the same version of applicable software concurrent with the District.

E. INTERNET

The Contractor shall have an Internet e-mail account for the purposes of electronic file transfers and routine communications with the District. This shall not eliminate the need for hard copy documentation.

F. TELEPHONE

The District will not be responsible for local, long distance, cell phone or other telephone charges. These expenses are considered an overhead expense and included in the hourly rate.

G. COMPUTER TIME

The District will not be responsible for computer time or use of software service fees. These expenses are considered an overhead expense and included in the hourly rate.

H. EQUIPMENT AND SOFTWARE

The equipment, tools, software, etc., in Appendix B Sections C, D, E, F, & G shall be included in hourly rate overhead as an operating expense.

**APPENDIX “C”
RATE SCHEDULE**

DIRECT EXPENSES:

Rates are stated in US Dollars.

Engineer's Classification Code	Billing Rate Job Description	Billing Rate/hr	Classification
A	Project Manager III	\$250.00	Project management
B	Project Manager II	\$250.00	Project management
C	Project Manager I	\$225.00	Project management
D	Clerical	\$200.00	Word processing, Data Entry
E	Engineer V	\$320.00	Detail design and studies
F	Engineer IV	\$280.00	Detail design and studies
G	Engineer III	\$240.00	Detail design and studies
H	Engineer II	\$200.00	Detail design and studies
I	Engineer I	\$180.00	Detail design and studies

Fixed hourly billing rates shall be in US Dollars and include all i) payroll, payroll taxes and fringe benefits; ii) all reproduction and printing costs including electronic media; iii) communications costs including all phones, faxes, internet, postage, shipping, delivery, couriers; iv) computer and computer time, software or service fees, cameras, tablets, printers, scanners, office machines and related costs of operations including consumables; v) insurance costs; vi) indirect and overhead burden; and vii) profit.

The Engineer’s Classification Code is the maximum personnel rate that can be charged for the classification of work to be done. For example: data entry into any of the District’s computer systems will not be paid at a rate exceeding that of a CLASSIFICATION CODE “D”.

REIMBURSABLE EXPENSES:

Reimbursable expenses are those reasonable and necessary costs incurred on or directly for the District’s project, including necessary transportation costs, meals and lodging. Any actual expenses in non-US dollars will be converted using the conversion tables at www.x-rates.com for the applicable period. Reimbursement will be subject to the following limitations:

Meals and Incidental Expenses: Meals and incidental expenses will be limited to the Federal Per Diem rate for meals and incidentals established for the location where lodging is obtained. The current rate for all Grant County locations is \$59.00 per day. Federal Per Diem guidelines which includes the meal breakdown and Federal Per Diem rates for other locations can be found at www.gsa.gov.

Lodging: Lodging will be billed at cost, including applicable taxes, not to exceed 200% of the Federal Per Diem maximum lodging rate for the location where the work is being performed. The current federal maximum lodging rate for all Grant County locations is \$107.00. The District Representative may increase this limit in writing when circumstances require.

Travel: Air travel (at coach class or equivalent), airport shuttles, etc. billed at cost. Ground transportation by privately owned vehicle, if utilized, billed at the Internal Revenue Service mileage rate for privately owned vehicles in effect at the time of travel. Expenses for a rental car, at cost, in the ratio of one mid-size class rental car for each three Contractor’s personnel directly engaged in performance of the work at the prevailing rental rates then in effect. Rental car options such as refueling fees, GPS, collision & liability

insurance, etc. will not be reimbursed by the District unless such options are approved in advance by the District Representative. **Appropriate insurance coverage should be included in the Contractor's insurance policies.**

Other: All other expenses will be based on actual costs and include appropriate documentation.

Reimbursable expenses must be accompanied by receipts for airfare, hotel, and rental car, and any other support documentation as the District may require.

APPENDIX "D"
CHANGE ORDER
NO. __

Pursuant to Section 5, the following changes are hereby incorporated into this Contract:

- A. Description of Change:

- B. Time of Completion: The revised completion date shall be _____.
OR
The completion date shall remain _____.

- C. Contract Price Adjustment: As a result of this Change Order, the not to exceed Contract Price shall remain unchanged (be increased/decreased by the sum of \$_____ 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 \$_____, 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

S&C Electric Company

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

APPENDIX "E"
TASK AUTHORIZATION FOR
PROFESSIONAL SERVICES

Contract No.:	130-12168B	Task Authorization No.:		Amendment No.:	
Project Name:					

The Scope of Services covered by this authorization shall be performed in accordance with all the terms and conditions in the above referenced Contract Documents which are incorporated herein by this reference.

The District hereby requests and authorizes the Contractor to perform the following services:

Sample Only

Compensation is to be paid in accordance with and subject to the limitations in Section 4.A of the Contract Documents. In addition, the total cost of the above described work shall not exceed \$_____ without advance amendment of this Task Authorization by the District.

Public Utility District No. 2
of Grant County, Washington

S&C Electric Company

Approved for District

Accepted by Contractor

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: District Representative

Title: _____

Date: _____

Date: _____

APPENDIX "F"
NON-DISCLOSURE AGREEMENT

This Non-Disclosure Agreement ("NDA") is entered into on the date shown on the signature page between Public Utility District No. 2 of Grant County, Washington ("District"), and _____, ("Contractor"), sometimes collectively referred to as the "Parties."

RECITALS

The District has identified and designated certain information as confidential. For purposes of this Agreement, "Protected Information" includes:

- District customer information protected under RCW 19.29A, Consumers of Electricity;
- District employee information;
- District vendor information;
- All technical and business information or material that has or could have commercial value or other interest in the business or prospective business of the District;
- All information and material provided by the District which is not an open public record subject to disclosure under RCW 42.56, Public Records Act;
- All information of which unauthorized disclosure could be detrimental to the interests of the District or its customers, whether or not such information is identified as Protected Information; and
- Any information identified and designated by the District as Security Sensitive Information (SSI), Critical Energy Infrastructure Information (CEII), and/or Critical Infrastructure Protection (CIP) Protected Information in accordance with the State of Washington, Federal Energy Regulatory Commission (FERC) and/or North American Reliability Corporation (NERC), which have established regulations for the protection of sensitive plans, drawings, and records defined as SSI, CEII, and/or CIP Protected Information. SSI, CEII, and CIP Protected Information are further defined in Appendix "G".

Because of the sensitive nature of such information that may be provided to the Contractor, Contractor must execute and deliver this NDA to the District prior to receiving such Protected Information from the District.

NOW, THEREFORE, the Parties agree as follows:

1. **Incorporation by Reference.** The recitals set forth above are incorporated herein as if fully set forth.
2. **Protected Information Disclosure.** All information and drawings that are disclosed by the District to the Contractor, which are designated as confidential, SSI, CEII, and/or CIP Protected Information, shall be protected hereunder as Protected Information.

3. **Non-Disclosure.** Subject to the provisions of Section 4 and unless the parties agree otherwise, this non-disclosure obligation shall survive the termination of this NDA. Contractor shall not disclose or disseminate Protected Information and shall:
 - A. Restrict disclosure of Protected Information solely to its agents and employees with a need to know and not disclose such Protected Information to any others; and
 - B. Advise and require all of its officers, agents, employees, representatives, prospective and successful subcontractors, consultants and employees thereof with access to the Protected Information to execute an NDA in this same form with the District prior to allowing them access to the Protected Information; and
 - C. Use the Protected Information provided hereunder only for purposes directly related to performance of the work Contract 130-12168B.
 - D. In the event third parties attempt to obtain the Protected Information by legal process, the Contractor agrees that it will not release or disclose any Protected Information until the District has received notice of the legal process and has been given reasonable opportunity to contest such release of information and/or to assert the confidentiality privilege.
4. **Ownership and Return of Protected Information.** All Protected Information shall remain the property of the District. Contractor is responsible for safeguarding and returning all Protected Information or shall certify, by signed, statement delivered to the District, the destruction of all original Protected Information provided along with any copies made by the Contractor. Such delivery shall be to the District, Attention: Emilie DeLong, PO Box 878, Ephrata, WA 98823.
5. **Compliance Audit.** The District may audit Contractor's compliance with this NDA.
6. **Applicable Law.** This NDA is made under, and shall be construed according to, the laws of the State of Washington and the Federal Energy Regulatory Commission regulations. Venue for any action brought pursuant to this NDA shall, at the District's option, be in Grant County Superior Court, Grant County, Washington or in the United States District Court for the Eastern District of Washington.
7. **Assignment.** This NDA may not be assigned.
8. **Violations.** Contractor understands and agrees that the District is providing the Protected Information to Contractor in reliance upon this NDA, and Contractor will be fully responsible to the District for any damages or harm caused to the District by a breach of this NDA by Contractor or any of its officers, directors, agents, employees, subcontractors, consultants or affiliates. Contractor acknowledges and agrees that a breach of any of its promises or agreements contained herein will result in irreparable injury to the District for which there will be no adequate remedy at law, and the District shall be entitled to apply for equitable relief, including injunction and specific performance, in the event of any breach or threatened breach or intended breach of this NDA by Contractor. Such remedies, however, shall not be deemed to be the exclusive remedies for any breach of the Agreement but shall be in addition to all other remedies available at law or in equity. In addition to injunctive relief, civil or criminal penalties may be imposed for each violation of this NDA.
9. **Attorney's Fees.** In the event it is necessary for the District to utilize the services of an attorney

to enforce any of the terms of this NDA, it shall be entitled to compensation for its reasonable attorney's fees and costs. In the event any legal action becomes necessary to enforce the provisions of the NDA, the substantially prevailing party shall be entitled to reasonable attorney's fees and costs in addition to any other relief allowed, regardless of whether the dispute is settled by trial, trial and appeal, arbitration, mediation, negotiation or otherwise, and regardless of whether suit is formally filed.

- 10. **Corporate Authority; Binding Signatures.** The individual executing this NDA on behalf of Contractor warrants that he or she is an authorized signatory of the entity for which they are signing, and have sufficient institutional authority to execute this NDA.
- 11. **Electronic Signatures.** Signatures transmitted electronically shall be deemed valid execution of this NDA, binding on the parties.
- 12. **Effective Date and Term.** This NDA shall become effective immediately and remain in full force and effect until Contractor has returned all Protected Information to the District provided, however, the obligations contained in Section 3 shall survive the termination of this NDA.

Sample Only

CONTRACTOR: Name: _____

Address: _____

Phone: _____

Email: _____

Signature: _____

Print Name: _____

Title: _____

Date: _____

APPENDIX “G”
DEFINITIONS OF PROTECTED INFORMATION

Definition of Critical Infrastructure Protection (CIP)

Pursuant to section 215 of the Federal Power Act (FPA), the Federal Energy Regulatory Commission (FERC) approved the Critical Infrastructure Protection (CIP) Reliability Standards. The CIP Reliability Standards require certain users, owners, and operators of the Bulk-Power System to comply with specific requirements (CIP-002 through CIP-014) to safeguard critical cyber assets. Penalties for non-compliance with NERC CIP can include fines, sanctions or other actions against covered entities.

Definition of Critical Energy Infrastructure Information (CEII)

The Critical Energy Infrastructure Information (CEII) guidelines of the Federal Energy Regulatory Commission (FERC) define CEII as specific engineering, vulnerability, operational or detailed design information about proposed or existing critical energy infrastructure (physical or virtual) that relates to the production, generation, transportation, transmission or distribution of energy, could be useful to a person planning an attack on critical infrastructure, is exempt from mandatory disclosure, and gives strategic information beyond the location of the critical infrastructure. 18 CFR §388.113 and RCW 42.56.520.

Definition of Bulk Electric System Cyber System Information (BCSI)

The North American Electric Reliability Corporation (NERC) has been designated by the FERC, through the Energy Policy Act of 2005, to establish and enforce standards and requirements for the reliable operation of the Bulk Electric System. The Bulk Electric System includes the District’s electrical generation resources, transmission lines, and interconnections with neighboring electric systems. Information related to the District’s Bulk Electric System Cyber Systems (BCS) is required to be protected due to the sensitive security nature of such information, and the need to protect public safety (hereinafter referred to as “CIP Protected Information”). BCSI generally (not exclusively) is defined as information about the BCS that could be used to gain unauthorized access or pose a security threat to the BCS and affect the reliable operations of the Bulk Electric System. The District is required to protect this information including, but not limited to, network topology/diagrams; floor plans for computing centers; equipment layouts; security configuration information and other information as defined in the NERC standards. FERC Order No. 706, issued January 18, 2008; 18 CFR Part 40; and RCW 42.56.070.

Definition of Security Sensitive Information (SSI)

Security Sensitive Information is those portions of records assembled, prepared, or maintained to prevent, mitigate, or respond to criminal or terrorist acts, which are acts that significantly disrupt the ability of the District to fulfill its mission and goals and that manifest an extreme indifference to human life, the public disclosure of which would have a substantial likelihood of threatening public safety. SSI includes: (a) Specific and unique vulnerability assessments or specific and unique response or deployment plans, including compiled underlying data collected in preparation of or essential to the assessments, or to the response or deployment plans; (b) Records not subject to public disclosure under federal law that are shared by federal or international agencies, and information prepared from national security briefings provided to state or local government officials related to domestic preparedness for acts of terrorism; and (c) Information regarding the infrastructure and security of computer and telecommunications networks, consisting of security passwords, security access codes and programs, access codes for secure software applications, security and service recovery plans, security risk assessments, and security test results to the extent that they identify specific system vulnerabilities.

Bulk Electric System (BES)

Unless modified by the lists shown below, all Transmission Elements operated at 100 kV or higher and Real Power and Reactive Power resources connected at 100 kV or higher. This does not include facilities used in the local distribution of electric energy. Inclusions:

- I1 - Transformers with the primary terminal and at least one secondary terminal operated at 100 kV or higher unless excluded by application of Exclusion E1 or E3.
- I2 – Generating resource(s) including the generator terminals through the high-side of the step-up transformer(s) connected at a voltage of 100 kV or above with: a) Gross individual nameplate rating greater than 20 MVA. Or, b) Gross plant/facility aggregate nameplate rating greater than 75 MVA.
- I3 - Blackstart Resources identified in the Transmission Operator’s restoration plan
- I4 - Dispersed power producing resources that aggregate to a total capacity greater than 75 MVA (gross nameplate rating), and that are connected through a system designed primarily for delivering such capacity to a common point of connection at a voltage of 100 kV or above. Thus, the facilities designated as BES are: a) The individual resources, and b) The system designed primarily for delivering capacity from the point where those resources aggregate to greater than 75 MVA to a common point of connection at a voltage of 100 kV or above.
- I5 –Static or dynamic devices (excluding generators) dedicated to supplying or absorbing Reactive Power that are connected at 100 kV or higher, or through a dedicated transformer with a high-side voltage of 100 kV or higher, or through a transformer that is designated in Inclusion I1 unless excluded by application of Exclusion E4.

Bulk Electric System (BES) Cyber Asset

A Cyber Asset that if rendered unavailable, degraded, or misused would, within 15 minutes of its required operation, misoperation, or non-operation, adversely impact one or more Facilities, systems, or equipment, which, if destroyed, degraded, or otherwise rendered unavailable when needed, would affect the reliable operation of the Bulk Electric System. Redundancy of affected Facilities, systems, and equipment shall not be considered when determining adverse impact. Each BES Cyber Asset is included in one or more BES Cyber Systems.

Name of company where background check was performed: _____

Certified by: _____

Title: _____

Phone No.: _____

Email: _____

Return this form to: CIPDocuments@gcpud.org

*****Access will not be granted until this Background Check has been completed and training taken*****

These are sub-sections of the “Grant County PUD Personnel Risk Assessment Program” relevant to Vendor(s) and/or Contractor(s). For the complete program please contact rcstaff@gcpud.org

Evaluation Criteria:

Contractors with physical or electronic access to District High or Medium Impact BES Cyber Systems and their associated EACMS and PACS, shall certify a background check was met using the following criteria:

Whether the individual has ever been convicted of any of the following FELONIES:

- Murder
- Kidnapping
- Manslaughter
- Fraud, theft, and/or robbery
- Criminal sexual conduct
- Arson

Whether the individual has ever been convicted of the following MISDEMEANORS:

- Violence related
- Honesty related

Whether the individual has ever been convicted of a single misdemeanor, other than minor traffic offenses, which are generally defined as traffic offenses that did not involve property damage and/or personal injury.

Individual is not currently awaiting adjudication on any criminal charge other than minor traffic offenses, which, again, are generally defined as traffic offenses that did not involve property damage and/or personal injury.

In the event the individual has been convicted of a felony or misdemeanor, the Contractor shall not assign such individual to a District location without first discussing such conviction with the District and obtaining the approval of the District’s PRA Committee for such assignment in accordance with the District’s Personnel Risk Assessment Program. The District reserves the right to refuse the assignment of an individual who does not pass the above Evaluation Criteria after review and consideration of the extenuating circumstances by the District’s PRA Committee.

FOR GRANT PUD USE ONLY

If Background Check failed enter date of PRA Committee Review: _____ Pass ___ Fail ___
(Check one)

Signature of PRA Committee member: _____

APPENDIX "I"
CONTRACTOR SAFETY REQUEST FOR INFORMATION



Contractor Safety Request for Info

Contractor Company Name:		Prepared By:	
Address:		Title:	
		Phone #:	
		Date:	

Years in business under current company name: _____

PRINCIPAL BUSINESS ACTIVITY:

- | | | |
|--|--|---|
| <input type="checkbox"/> Blasting/Painting | <input type="checkbox"/> Instrumentation | <input type="checkbox"/> Machining |
| <input type="checkbox"/> Cranes | <input type="checkbox"/> Lead/Asbestos Abatement | <input type="checkbox"/> Welding/Piping |
| <input type="checkbox"/> Excavation | <input type="checkbox"/> Cement Work | <input type="checkbox"/> Electrical |
| <input type="checkbox"/> Heavy Transport | <input type="checkbox"/> Drilling | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Labor Service | <input type="checkbox"/> General Construction | |
| <input type="checkbox"/> Scaffold | <input type="checkbox"/> Hydro-Blasting/Cleaning | |

EXPERIENCE MODIFICATION RATE:

Provide the following health, safety, and environmental (HSE)-related information:

List your company’s interstate or intrastate (if applicable) Experience Modification Rate (EMR) for the three (3) most recent years, as evidenced in workers’ compensation insurance premiums:

Last Year: _____ 2-Years Ago: _____ 3-Years Ago: _____

Higher rates may require a corrective action plan for your company. Provide a copy of the letter from your insurance broker or insurance company evidencing the rate for the last 3 years.

- Check this box if your company has less than the minimum number of employees required by law to carry workers’ compensation insurance or if your company does

not have an EMR. (If checked, provide a letter from your insurance company stating this.)

Fill in the following information for the last three available years (use your OSHA 300 Logs)		Last Year	2-Yrs Ago	3-Yrs Ago
(A)	Number of fatalities each year			
(B)	Number of lost workday/restricted activity each year			
(C)	Recordable injury cases each year			
(D)	Total hours each year (do not include non-work time, even though paid)			
(E)	Injury incident rate = <u>NO. OF RECORDABLE INJURIES x 200,000</u> <u>TOTAL HOURS FOR YEAR</u>			

If your company experienced a work-related fatality during this period, provide a brief description of the causes and corrective actions taken. N/A

Has Washington State Labor & Industries, OSHA, EPA, or other State or Federal enforcement agency(s) cited and assessed penalties against your company for any “serious,” “willful” or “repeat” violations in the past five years? Yes No

If “yes,” attach a separate page describing the citations, including information about the dates of the citations, the nature of the violation, the project on which the citation(s) was or were issued, the amount of penalty paid, if any. If the citation was appealed to the agency Appeals Board and a decision has been issued, state the case number and the date of the decision.

NOTE: If you have filed an appeal of a citation and the agency appeals Board has not yet ruled on your appeal, or if there is a court appeal pending, you need not include information about the citation.

Does your company have a written HSE program?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, attach a copy or a summary of your program, including HSE policy you may have.		
Have an orientation program for new hires?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Have training program for newly hired/promoted foremen and supervisors?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you hold workplace HSE meetings for supervisors?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, how often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Do you hold employee “toolbox” HSE meetings?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, how often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Do you conduct pre-task HSE planning meetings with employees?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

If yes, briefly describe the program format and/or attach a copy.

Do you conduct workplace HSE inspections?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, who conducts this inspection? How often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Is the company a member of any external HSE program that awards certificates of recognition?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, list certificates of recognition your company has received within the past 3 years:		

Indicate elements included in your overall HSE program	HSE Program	New Hire Training	Supervisor/Foreman Training
Corporate HSE Policy			
HSE Workplace Committee			
HSE Inspections and Audits			
Personal Protective Equipment			
Hazard Assessment and Communication			
Task Assignment Training			
Respiratory Protection			
Fall Protection			
Scaffolding and Ladders			
Perimeter Guarding			
Housekeeping			
Fire Protection/Prevention			
First- Aid Procedures/Facilities			
Emergency Procedures			
Toxic Substances/Hazard Communication			
Trenching and Excavation			
Signs, Barricades, and Flagging			
Electrical Safety			
Rigging and Crane Safety			
Safe Work Practices			
Safety Supervision			
Toolbox/Workplace HSE Meetings			
Incident Investigation/Reporting			
Abrasive Blasting Safety			

	Substance Abuse			
	Vehicle Safety			
	Use of Compressed Gas Cylinders			
	Welding/Cutting			
	Medical Evaluation			
	Blood borne Pathogens			
	Employee Discipline			
	High-Pressure Water Cleaning			
	Hot Taps			
	Noise/Hearing Conservation			
	Heat/Cold stress			
	Incentives/Awards for HSE Achievements			
	Spill Prevention/Response			
	Dust Suppression			
	Wastewater/Storm Water Management			
	Hazardous Waste and Solid Waste Management			
	Equipment Emissions			
	Wetlands/Sensitive Habitats			

THIS INFORMATION MUST BE FURNISHED TO GRANT PUD PRIOR TO THE BIDDING OF ANY CONTRACT OR ONSITE LABOR

For further information or assistance in meeting these requirements, please contact the designated Grant PUD District Representative.

REVIEW/APPROVAL SIGNATURES
GRANT PUD USE ONLY

REQUIRED SIGNATURE	
SAFETY: _____ DATE _____	<input type="checkbox"/> RECEIVED <input type="checkbox"/> FURTHER REVIEW
DISTRICT REP. _____ DATE _____	

For Commission Review – 09/10/2024

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to sign Real Estate Purchase and Sale Agreement between Nestor Homes LLC., a limited liability company and Public Utility District No. 2 of Grant County, Washington a municipal corporation for the acquisition of a certain parcel of land consisting of approximately 20 acres, more or less and commonly known as Grant County Assessor Parcel No. 161201000 in Section 2, Township 17 North, Range 27 East W.M., Grant County, Washington, in the amount of \$18,000.00.

xxxx

MEMORANDUM

August 28, 2024

TO: Richard Wallen, General Manager/Chief Executive Officer

VIA: Fallon Long, Chief Enterprise Shared Services Officer FML

FROM: Rhiannon Fronsman, Project Manager

SUBJECT: Real Property Acquisition to support future Service Center Development Requirements

Purpose:

To request Commission approval to execute Real Estate Purchase and Sale Agreement (the "Agreement") between NESTER HERNANDEZ, NESTOR HOMES LLC, a limited liability company and PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON a municipal corporation for the acquisition of a certain parcel of land consisting of approximately 20 acres, more or less, and commonly known as Grant County Assessor Parcel No. 161201000 in Section 2 Township 17 North, Range 27 E.W.M., Grant County, Washington (hereinafter "the mitigation site") in the amount of Eighteen Thousand Dollars (\$18,000). This land is located in a state-identified shrub-steppe biodiversity corridor, as described further below.

Discussion:

Grant PUD is planning to develop real property in Grant County to construct a new Ephrata Service Center ("the project") that will utilize the entire parcel where the project will occur. The new facility design and construction will continue through 2025, pending permitting actions. This project development will be subject to state and local agency permitting review of the project environmental impacts pursuant to the Grant County Critical Areas Code and Washington State Environmental Policy Act (SEPA). The project site intended for the new Ephrata Service Center development is located in a Fish and Wildlife Habitat Conservation Area comprised primarily of shrub steppe habitat (sagebrush, grasses and some invasive vegetation). Therefore, pursuant to State and County laws and specifically the County's Critical Areas regulation, Grant PUD solicited and procured a critical habitat and species report to survey and analyze the project development environmental impacts. The report concluded the project site is a mix of medium and low-quality shrub steppe habitat. Pursuant to Grant County Unified Development Code 24.08, Grant PUD is required to mitigate adverse impacts to the critical area to obtain permitting approvals. Grant PUD must compensate for the impact by replacing, enhancing, or providing substitute resources or environments.

This mitigation requirement has been in place for over two decades in Grant County and applies not only to development in the County but also development within each of the cities and towns within the County. Often there is not enough available property onsite and so offsite options are considered.

Additionally, shrub steppe habitat has received increased attention at the state and local level in recent years. Washington State Department of Fish & Wildlife has developed a shrub-steppe inventory and database and also identified shrub-steppe biodiversity corridors that provide connectivity for wildlife among the higher quality habitat. Grant County has been working for at least the past year on a shrub-steppe mitigation bank to provide for mitigation by developers paying in-lieu fees for impacts from proposed development. The fees would then be used to purchase land or conservation easements that

permanently protect habitat from future development, targeting those state identified biodiversity corridors described above. Further, Grant County has a Voluntary Stewardship Program that is also focused on shrub-steppe land conservation, with this program being administered by the Columbia Basin Conservation District.

Justification:

Purchase of this real property mitigation site will allow Grant PUD to meet, in part, mitigation requirements by providing an offsite shrub-steppe habitat protection area for the project impacts on the project development site.

If request to execute the Agreement is not approved, Grant PUD must attempt to identify and pursue other offsite mitigation options to offset project impacts on the development site. This may delay permitting actions, which in turn will delay the new Ephrata Service Center project construction. Delaying planned construction actions will incur significant additional costs and expenses to Grant PUD.

Several other property options varying in acreage size and location were considered and explored to meet mitigation requirements. Properties are evaluated on quality of critical habitat area, cost and location. Ultimately, acquiring this property from Nester Hernandez and Nester Homes is an important first step for Grant PUD customers and employees and all Grant County residents to meet state and local mitigation requirements and allow construction of the new Ephrata Service Center to continue as planned. Because the parcel is 20 acres in size and the project property site is 34 acres, additional acreage will likely need to be acquired to offset the remaining area of impact; often the County and state require a 2:1 mitigation acreage to offset impacts. Grant PUD team members are trying to find the highest quality habitat for the lowest price to see if a lower ratio of mitigation impact (1.5:1 or 1:1) would be acceptable. This Nester property could provide credit at less than the 2:1 ratio, but we will not know for certain what the actual credit will be until the permitting process is completed.

Financial Considerations:

This property is being purchased at the fair market value of the desired acreage. The new Ephrata Service Center project has sufficient approved capital budget to fund the purchase of this property from Nester Hernandez and Nester Homes.

Contract Specifics:

See attached Purchase and Sale Agreement.

Recommendation:

Commission approval to execute Real Estate Purchase and Sale Agreement (the "Agreement") between NESTER HERNANDEZ, NESTER HOMES LLC, a limited liability company and PUBLIC UTILITY DISTRICT NO.2 OF GRANT COUNTY, WASHINGTON a municipal corporation for the acquisition of a parcel of land consisting of approximately 20 acres, more or less, and commonly known as a portion of Grant County Assessor Parcel No. 161201000 in Section 2, Township 17, Range 27, Grant County, Washington in the amount of Eighteen Thousand Dollars (\$18,000).

Legal Review: See attached e-mail.

mentisign ID: 9CBC2E4E-B060-EF11-991A-002248270DCE

REAL ESTATE PURCHASE AND SALE AGREEMENT

This Real Estate Purchase and Sale Agreement (the "Agreement") is dated August 22, 2024 and is entered into by and between NESTOR HERNANDEZ, NESTOR HOMES LLC, a limited liability company ("Seller") and PUBLIC UTILITY DISTRICT NO.2 OF GRANT COUNTY, WASHINGTON a municipal corporation ("Buyer").

Seller wishes to sell and Buyer wishes to purchase the Property, as defined below, upon the following terms and conditions:

1. The Property.

(a) The property to be purchased by Buyer (the "Property") shall consist of (i) that certain parcels of land consisting of approximately 20 acres, more or less, and commonly known as a portion of Grant County Assessor Parcel No. 161201000, that portion of the north half of the northeast Section 2, Township 17, Range 27, Grant County, Washington; and (ii) all improvements thereon (the "Project"); and (iii) all personal property owned by Seller located at said real property, as set forth on the inventory to be furnished by Seller to Buyer pursuant to this Agreement; and (iv) all shrubs, trees, and plants thereon; and (v) all oil, gas, water and mineral rights and shares of stock pertaining to water or mineral rights, whether or not appurtenant thereto, owned by Seller; and (vi) all easements, rights of way, and other rights appurtenant thereto; and (vii) all permits and contract rights relating to the operation of the Property. If the exact boundaries and acreage of the Property is not known as of the date of mutual execution hereof, Buyer and Seller shall mutually agree on same during the period described in Section 7(a) below. If the Property does not constitute a separate, legal, buildable lot which has been segregated for property tax purposes, Seller shall accomplish all actions necessary to render the Property in such condition on or before the expiration of the period described in Section 7(a) below.

2. Closing. "Closing" shall mean the date on which the general warranty deed with full warranties of title transferring title to the Property from Seller to Buyer is recorded in the official records of the County in which the Property is situated. Closing shall occur on or before the date which is thirty (30) days after Buyer's waiver of all the contingencies set forth in Sections 7 below, or such other date as may be mutually agreed upon by the parties, at the offices of Stewart Title Company (the "Escrow Agent") located in Ephrata, Washington. If Closing has not occurred prior to the date that is one hundred twenty (120) days after mutual execution hereof (the "Outside Date for Closing") for any reason other than a default by Buyer or Seller hereunder, then this Agreement shall automatically terminate, and the parties shall have no further liabilities or obligations toward each other under this Agreement.

3. Consideration. The consideration to be paid to Seller by Buyer for purchase of the Property (the "Purchase Price") shall be a total of Eighteen Thousand Dollars (\$18,000) and shall be payable all in cash at Closing.

4. Title.

(a) Preliminary Title Report. Buyer shall, at Buyer's expense, obtain a preliminary title report applicable to the Property (the "Preliminary Title Report") issued by Stewart Title Company (the "Title Company"), together with a copy of all items indicated as exceptions in such Preliminary Title Report.

(b) Condition of Title. At Closing, Seller shall convey fee simple title to the Property to Buyer by general warranty deed, subject only to the items indicated on the Preliminary Title Report which have been approved by Buyer.

(c) Evidence of Title. Seller shall, at Seller's expense, provide Buyer with evidence of Buyer's title to the Property in the form of an owner's ALTA standard coverage policy of title insurance, Form B 1970 (revised 10/17/70), issued by the Title Company containing only those exceptions approved by Buyer with a liability limit equal to the Purchase Price. Seller also agrees to provide affidavits and indemnities in standard form required by the Title Company to remove from the title policy to be issued at Closing the standard preprinted exceptions for unrecorded leases and mechanics liens. Notwithstanding anything to the contrary herein, Seller shall remove at or before Closing, and the Permitted Exceptions shall not include, any financial encumbrances or monetary liens encumbering the Property (except to the extent caused by Buyer).

5. Delivery for Approval. Within ten (10) working days of the execution of this Agreement, Seller shall deliver to Buyer for Buyer's approval as to form and content, the following:

(a) An inventory of all personal property (if any) to be transferred to Buyer.

(b) Copies of all maintenance, service and other agreements affecting the Property.

(c) Copies of all construction and equipment warranties affecting the Property.

(d) All plans, specifications, surveys, soils reports and calculations related thereto and appraisals of the Property, environmental and hazardous waste reports and studies relating to the Property, and any other reports or studies relating to the physical condition of the Property or adjacent properties prepared prior to the date of this Agreement in the possession or subject to the control of Seller.

(e) All certificates of occupancy, building permits, architect's statements of completion and similar documents in possession or subject to the control of Seller evidencing appropriate regulatory approval of the completion of construction of improvements at the Property.

(f) To the extent the Property or this transaction is subject to natural hazard disclosure requirements or requires a transfer disclosure statement pursuant to applicable law, a disclosure statement in conformity with the provisions of applicable law for such disclosures.

6. Costs to Buyer and Seller; Closing Documents.

(a) Seller shall pay the following:

- (i) Cost of the policy of title insurance, and all endorsements thereto, as called for in Section 4 hereof;
- (ii) One-half of the escrow fee and document preparation;
- (iii) Any broker's commissions;
- (iv) Real estate transfer taxes; and
- (v) Costs of Seller's counsel.

(b) Buyer shall pay one-half of the escrow fee and document preparation, cost of the preliminary title report, the costs of Buyer's counsel and any costs or fees for recording the general warranty deed.

(c) Real estate taxes and assessments, rents, water, and other utilities shall be prorated as of Closing.

(d) At Closing, Seller shall deliver to Escrow Agent the general warranty deed and a warranty bill of sale conveying to Buyer the personal property; and

(e) At Closing, Buyer shall pay the Purchase Price and shall execute such other documents reasonably required to close the transaction contemplated by this Agreement.

(f) Negotiated Items and Costs to Seller and Buyer:

- (i) TBD
- (ii)

7. Conditions Precedent to Buyer's Obligation.

(a) Buyer's obligation to perform under this Agreement is subject to and contingent upon Buyer's approval or determination in its sole discretion of the following, all to occur within ninety (90) days after the date of mutual execution hereof:

- (i) Title Condition. Buyer's review and approval of the Preliminary Title Report, together with all exceptions listed therein.
- (ii) Documents. Buyer's review and approval of all items required to be delivered to Buyer pursuant to Section 5 of this Agreement.
- (iii) Board of Commission Approval. Receipt of approval from Buyer's Board of Commissioners of all business terms of this Agreement by adoption of a resolution providing for the same.

(iv) Fair Market Value. Buyer has determined the fair market value of the property meets or exceeds the purchase price.

(v) Regulatory Approval. Receipt of approval from all applicable regulatory authorities of Buyer's purchase of the Property and of any related opening, closing or relocating of Buyer's facilities.

(vi) Survey. Buyer's receipt of a Record of Survey to set property pins, prepare and verify legal description and record the Record of Survey with the Grant County Auditor's office. Record of Survey to be paid by Buyer.

(vii) Inspection of the Property. Buyer's written approval of the Property, including zoning, land use, cultural resources, soils, geotechnical, and environmental condition of the Property and adjacent parcels, pursuant to physical inspection by Buyer or by whomsoever Buyer may designate, which approval may be withheld in Buyer's sole and absolute discretion. No inference that Buyer has waived any right to rely on warranties of Seller as set forth in Section 8 of this Agreement shall be drawn from Buyer's approval of the Property pursuant to such physical inspection.

Unless otherwise stated by Buyer in writing, failure to timely approve or disapprove any of the above-referenced matters shall constitute disapproval.

8. Warranty of Title. Seller is the lawful owner of the Property, and has the full right, power, and authority to sell, transfer and convey the Property to Buyer and warrants that the Property is not subject to any liens, claims, security interests, encumbrances, taxes, or assessments, however described or denominated.

Seller hereby agrees to defend, protect, indemnify, and hold Buyer harmless from any and all loss, damage, liability or expense, including attorneys' fees and costs, Buyer may suffer as a result of any breach of or any inaccuracy of the foregoing warranty. This warranty shall survive Closing.

Buyer hereby agrees to indemnify and hold Seller harmless from any and all loss or injury arising as a result of the Buyer's inspection of Property.

9. Possession. Upon execution of this Agreement, Buyer, through its authorized agents, personnel and employees, shall be entitled to enter upon the Property during normal business hours to make such inspections or studies as Buyer may deem reasonably necessary, including without limitation soils and hazardous waste studies. Full possession of the Property shall be delivered to Buyer by Seller at Closing. Seller shall furnish to Buyer all information that Buyer may reasonably request. If this transaction fails to close, Buyer shall restore the Property at its sole cost to substantially the same condition as when Buyer commenced its studies and tests. If upon full possession of the property, the Buyer chooses not to develop the property then

the Seller has right of first refusal to purchase property back from Buyer at the price of which it was acquired within two years of closing or appraised value after the two years; except that the property shall not be sold back to the Seller for less than Buyer purchase price.

10. Seller's Remedy. Following waiver of all of Buyer's contingencies set forth in Sections 7(a), 7(b) and 7(c) above, if this transaction fails to close due to a breach by Buyer hereunder, the sole and exclusive remedy available to Seller as a result of such breach shall be to terminate this Agreement, whereupon Buyer shall deliver to Seller, at no cost to Seller, copies of any reports, studies, or tests performed by Buyer or its agents in connection with this transaction (excluding financial feasibility studies or other proprietary information). Seller hereby waives any other remedy it may have.

11. Buyer's Remedies. If this transaction fails to close due to a breach by Seller hereunder, the sole and exclusive remedy available to Buyer as a result of such breach shall be to terminate this Agreement, whereupon Seller shall deliver to Buyer, at no cost to Buyer, copies of any reports, studies, or tests performed by Seller or its agents in connection with this transaction (excluding financial feasibility studies or other proprietary information). Buyer hereby waives any other remedy it may have.

12. Miscellaneous.

(a) All notices, consents and approvals required by this Agreement shall be either:

- (i) personally delivered; or
- (ii) placed in the United States mail, properly addressed and with full first-class postage certified mail with a return receipt. Said notices, consents and approvals shall be deemed received on the earlier of the date actually received, or forty-eight (48) hours after being mailed as aforesaid.

Said notices, consents and approvals shall be sent to the parties hereto at the following addresses, unless otherwise notified in writing:

To Seller: Nestor Hernandez
Nestor Homes LLC
1600 South 73rd Avenue
Yakima, WA 98908

To Buyer: Public Utility District No. 2 of Grant County, WA
Lands and Permitting Services
PO Box 878
Ephrata, WA 98823

(b) Attorneys' Fees. In the event that either party hereto brings an action or proceeding for a declaration of the rights of the parties under this Agreement, for injunctive relief, or for an

alleged breach or default of, or any other action arising out of this Agreement or the transactions contemplated hereby the prevailing party in any such action shall be entitled to an award of reasonable attorneys' fees and any court costs incurred in such action or proceeding, including on appeal, in addition to any other damages or relief awarded, regardless of whether such action proceeds to final judgment.

(c) Entire Agreement and Amendments. This Agreement, together with any Exhibits referred to herein constitute the final and complete expression between the parties hereto and supersedes any and all prior arrangements or understandings between the parties. This Agreement can be amended only by a writing signed by Buyer and Seller.

(d) Time of the Essence. Time is of the essence in connection with each and every provision of this Agreement.

(e) Choice of Law. This Agreement and each and every related document is to be governed by, and construed in accordance with, the laws of the state in which the Property is situated.

(f) Successors. Except as otherwise provided herein, the provisions and covenants contained herein shall inure to and be binding upon the heirs, successors and assigns of the parties hereto. However, Seller shall have no right to assign any of its rights, privileges, duties or obligations under this Agreement or to convey or transfer the Property prior to Closing, without the prior written consent of Buyer. Buyer shall be entitled to assign Buyer's interest under this Agreement.

(g) Section Headings. The headings of the Sections of this Agreement are inserted solely for convenience of reference, and are not intended to govern, limit or aid in the construction of any term or provision hereof.

(h) Waiver. No claim of waiver, consent or acquiescence with respect to any provision of this Agreement shall be made against either party except on the basis of a written instrument executed by or on behalf of such party. A receipt by Seller of any payment due hereunder, with knowledge of any breach of this Agreement, shall not be deemed a waiver of such breach. The party for whose benefit a condition is herein inserted shall have the unilateral right to waive such condition.

(i) Further Actions. Buyer and Seller agree to execute such further documents, and take such further actions, as may reasonably be required to carry out the provisions of this Agreement, or any agreement or document relating hereto or entered into in connection herewith.

(j) Counterparts. This Agreement may be executed in counterparts, each of which, when combined, shall constitute one single binding agreement.

IN WITNESS WHEREOF, the undersigned have executed this document as of the day and year first hereinabove written.

SELLER:

Dated: 8.22.24


By Nestor Hernandez
Governor

BUYER:

Dated: _____

PUBLIC UTILITY DISTRICT NO 2 OF
GRANT COUNTY, WASHINGTON

By _____

STATE OF WASHINGTON
County of _____

I hereby certify that I know or have satisfactory evidence that Nestor Hernandez signed this instrument, on oath stated that they are/were authorized to execute this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in this instrument.

DATED: 8-22-24

[Signature]

Notary Public
Residing at Yakima county

My appointment expires: 4-22-27



STATE OF WASHINGTON
County of Grant

I hereby certify that I know or have satisfactory evidence that Rich Wallen signed this instrument, on oath stated that they were authorized to execute this instrument and acknowledged it to be their free and voluntary act for uses and purposes mentioned in this instrument.

DATED: _____

Notary Public
Residing at _____
My appointment expires: _____

Exhibit "A"

THE LAND REFERRED TO HEREIN IS DESCRIBED AS FOLLOWS:

The North half of the Northeast quarter of the Southeast quarter of Section 2, Township 17 North, range 27
E.W.M., Grant County, Washington.

seller 
8.22.24

Buyer: _____

**SELLER DISCLOSURE STATEMENT
 UNIMPROVED PROPERTY**

SELLER: Nestor Homes LLC

To be used in transfers of unimproved residential real property, including property zoned for residential use that is not improved by one or more residential dwelling units, a residential condominium, a residential timeshare or a mobile or manufactured home. Unimproved residential real property does not include commercial real estate as defined in RCW 60.42.005 or property defined as "timber land" under RCW 84.34.020. See RCW Chapter 64.06 for further information.

INSTRUCTIONS TO THE SELLER
 Please complete the following form. Do not leave any spaces blank. If the question clearly does not apply to the property check "NA." If the answer is "yes" to any asterisked (*) item(s), please explain on attached sheets. Please refer to the line number(s) of the question(s) when you provide your explanation(s). For your protection you must date and initial each page of this disclosure statement and each attachment. Delivery of the disclosure statement must occur not later than five (5) business days, unless otherwise agreed, after mutual acceptance of a written purchase and sale agreement between a Buyer and Seller.

NOTICE TO THE BUYER
 THE FOLLOWING DISCLOSURES ARE MADE BY THE SELLER ABOUT THE CONDITION OF THE PROPERTY LOCATED AT Parcel 161201000, CITY Royal City, STATE WA, ZIP 99357, COUNTY Grant County ("THE PROPERTY") OR AS LEGALLY DESCRIBED ON THE ATTACHED EXHIBIT A.

SELLER MAKES THE FOLLOWING DISCLOSURES OF EXISTING MATERIAL FACTS OR MATERIAL DEFECTS TO BUYER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS YOU AND SELLER OTHERWISE AGREE IN WRITING, YOU HAVE THREE (3) BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO YOU TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. IF THE SELLER DOES NOT GIVE YOU A COMPLETED DISCLOSURE STATEMENT, THEN YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A PURCHASE AND SALE AGREEMENT.

THE FOLLOWING ARE DISCLOSURES MADE BY SELLER AND ARE NOT THE REPRESENTATIONS OF ANY REAL ESTATE LICENSEE OR OTHER PARTY. THIS INFORMATION IS FOR DISCLOSURE ONLY AND IS NOT INTENDED TO BE A PART OF ANY WRITTEN AGREEMENT BETWEEN BUYER AND SELLER.

FOR A MORE COMPREHENSIVE EXAMINATION OF THE SPECIFIC CONDITION OF THIS PROPERTY YOU ARE ADVISED TO OBTAIN AND PAY FOR THE SERVICES OF QUALIFIED EXPERTS TO INSPECT THE PROPERTY, WHICH MAY INCLUDE, WITHOUT LIMITATION, ARCHITECTS, ENGINEERS, LAND SURVEYORS, PLUMBERS, ELECTRICIANS, ROOFERS, BUILDING INSPECTORS, ON-SITE WASTEWATER TREATMENT INSPECTORS, OR STRUCTURAL PEST INSPECTORS. THE PROSPECTIVE BUYER AND SELLER MAY WISH TO OBTAIN PROFESSIONAL ADVICE OR INSPECTIONS OF THE PROPERTY OR TO PROVIDE APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN THEM WITH RESPECT TO ANY ADVICE, INSPECTION, DEFECTS OR WARRANTIES.

Seller is / is not occupying the Property.

I. SELLER'S DISCLOSURES:

* If you answer "Yes" to a question with an asterisk (*), please explain your answer and attach documents, if available and not otherwise publicly recorded. If necessary, use an attached sheet.

1. TITLE	YES	NO	DONT KNOW	N/A
A. Do you have legal authority to sell the property? If no, please explain.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*B. Is title to the property subject to any of the following?				
(1) First right of refusal	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(2) Option	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(3) Lease or rental agreement	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(4) Life estate?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*C. Are there any encroachments, boundary agreements, or boundary disputes?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*D. Is there a private road or easement agreement for access to the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*E. Are there any rights-of-way, easements, or access limitations that affect the Buyer's use of the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

NA 8.22.24
 SELLER'S INITIALS Date SELLER'S INITIALS Date

**SELLER DISCLOSURE STATEMENT
 UNIMPROVED PROPERTY**
 (Continued)

	YES	NO	DON'T KNOW	N/A	50 51
*F. Are there any written agreements for joint maintenance of an easement or right of way?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	52
*G. Is there any study, survey project, or notice that would adversely affect the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	53
*H. Are there any pending or existing assessments against the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	54
*I. Are there any zoning violations, nonconforming uses, or any unusual restrictions on the property that affect future construction or remodeling?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	55 56
*J. Is there a boundary survey for the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	57
*K. Are there any covenants, conditions, or restrictions recorded against title to the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	58
NOTICE TO BUYER: Covenants or deed restrictions based on race, creed, sexual orientation, or other protected class were voided by RCW 49.60.224 and are unenforceable. Washington law allows for the illegal language to be struck by bringing an action in superior court or by the free recording of a restrictive covenant modification document. Many county auditor websites provide a short form with instructions on this process.					59 60 61 62 63 64

2. WATER

A. Household Water					65
(1) Does the property have potable water supply?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	66
(2) If yes, the source of water for the property is: <input type="checkbox"/> Private or publicly owned water system <input type="checkbox"/> Private well serving only the property * <input type="checkbox"/> Other water system					67 68 69
*If shared, are there any written agreements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	70
* (3) Is there an easement (recorded or unrecorded) for access to and/or maintenance of the water source?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	71 72
* (4) Are there any problems or repairs needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	73
(5) Is there a connection or hook-up charge payable before the property can be connected to the water main?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	74 75
(6) Have you obtained a certificate of water availability from the water purveyor serving the property? (If yes, please attach a copy.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	76 77
(7) Is there a water right permit, certificate, or claim associated with household water supply for the property? (If yes, please attach a copy.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	78 79
(a) If yes, has the water right permit, certificate, or claim been assigned, transferred, or changed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	80 81
* (b) If yes, has all or any portion of the water right not been used for five or more successive years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	82 83
(c) If no or don't know, is the water withdrawn from the water source less than 5,000 gallons a day?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	84 85
* (8) Are there any defects in the operation of the water system (e.g. pipes, tank, pump, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	86
B. Irrigation Water					87
(1) Are there any irrigation water rights for the property, such as a water right permit, certificate, or claim? (If yes, please attach a copy.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	88 89
(a) If yes, has all or any portion of the water right not been used for five or more successive years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	90 91
(b) If yes, has the water right permit, certificate, or claim been assigned, transferred, or changed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	92 93

NH 8-22-24
 SELLER'S INITIALS Date

 SELLER'S INITIALS Date

**SELLER DISCLOSURE STATEMENT
 UNIMPROVED PROPERTY**

(Continued)

©Copyright 2021
 Northwest Multiple Listing Service
 ALL RIGHTS RESERVED

	YES	NO	DONT KNOW	N/A	94 95
* (2) Does the property receive irrigation water from a ditch company, irrigation district, or other entity?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	96
If so, please identify the entity that supplies irrigation water to the property:					97
_____					98
C. Outdoor Sprinkler System					99
(1) Is there an outdoor sprinkler system for the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	100
*(2) If yes, are there any defects in the system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	101
*(3) If yes, is the sprinkler system connected to irrigation water?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	102
3. SEWER/SEPTIC SYSTEM					103
A. The property is served by:					104
<input type="checkbox"/> Public sewer system					105
<input type="checkbox"/> On-site sewage system (including pipes, tanks, drainfields, and all other component parts)					106
<input type="checkbox"/> Other disposal system					107
Please describe: _____					108
B. Is the property subject to any sewage system fees or charges in addition to those covered in your regularly billed sewer or on-site sewage system maintenance service?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	109 110
C. If the property is connected to an on-site sewage system:					111
*(1) Was a permit issued for its construction?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	112
*(2) Was it approved by the local health department or district following its construction?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	113
(3) Is the septic system a pressurized system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	114
(4) Is the septic system a gravity system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	115
*(5) Have there been any changes or repairs to the on-site sewage system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	116
(6) Is the on-site sewage system, including the drainfield, located entirely within the boundaries of the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	117 118
If no, please explain: _____					119
*(7) Does the on-site sewage system require monitoring and maintenance services more frequently than once a year?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	120 121
4. ELECTRICAL/GAS					122
A. Is the property served by natural gas?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	123
B. Is there a connection charge for gas?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	124
C. Is the property served by electricity?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	125
D. Is there a connection charge for electricity?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	126
*E. Are there any electrical problems on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	127
5. FLOODING					128
A. Is the property located in a government designated flood zone or floodplain?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	129

N H 8.22.24

 SELLER'S INITIALS Date SELLER'S INITIALS Date

**SELLER DISCLOSURE STATEMENT
 UNIMPROVED PROPERTY**

(Continued)

©Copyright 2021
 Northwest Multiple Listing Service
 ALL RIGHTS RESERVED

	YES	NO	DON'T KNOW	N/A	130
6. SOIL STABILITY					
*A. Are there any settlement, earth movement, slides, or similar soil problems on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	131 132
7. ENVIRONMENTAL					
*A. Have there been any flooding, standing water, or drainage problems on the property that affect the property or access to the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	133 134 135
*B. Does any part of the property contain fill dirt, waste, or other fill material?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	136
*C. Is there any material damage to the property from fire, wind, floods, beach movements, earthquake, expansive soils, or landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	137 138
D. Are there any shorelines, wetlands, floodplains, or critical areas on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	139
*E. Are there any substances, materials, or products in or on the property that may be environmental concerns, such as asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, or contaminated soil or water?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	140 141 142
*F. Has the property been used for commercial or industrial purposes?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	143
*G. Is there any soil or groundwater contamination?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	144
*H. Are there transmission poles or other electrical utility equipment installed, maintained, or buried on the property that do not provide utility service to the structures on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	145 146
*I. Has the property been used as a legal or illegal dumping site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	147
*J. Has the property been used as an illegal drug manufacturing site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	148
*K. Are there any radio towers that cause interference with cellular telephone reception?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	149
8. HOMEOWNERS' ASSOCIATION/COMMON INTERESTS					
A. Is there a homeowners' association?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	150 151
Name of Association and contact information for an officer, director, employee, or other authorized agent, if any, who may provide the association's financial statements, minutes, bylaws, fining policy, and other information that is not publicly available: _____					152 153 154
B. Are there regular periodic assessments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	155
\$ _____ per <input type="checkbox"/> month <input type="checkbox"/> year					156
<input type="checkbox"/> Other: _____					157
*C. Are there any pending special assessments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	158
*D. Are there any shared "common areas" or any joint maintenance agreements (facilities such as walls, fences, landscaping, pools, tennis courts, walkways, or other areas co-owned in undivided interest with others)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	159 160 161
9. OTHER FACTS					
*A. Are there any disagreements, disputes, encroachments, or legal actions concerning the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	162 163
*B. Does the property have any plants or wildlife that are designated as species of concern, or listed as threatened or endangered by the government?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	164 165

NH 8.22.24
 SELLER'S INITIALS Date SELLER'S INITIALS Date

**SELLER DISCLOSURE STATEMENT
UNIMPROVED PROPERTY**

(Continued)

II. NOTICES TO THE BUYER

1. SEX OFFENDER REGISTRATION

INFORMATION REGARDING REGISTERED SEX OFFENDERS MAY BE OBTAINED FROM LOCAL LAW ENFORCEMENT AGENCIES. THIS NOTICE IS INTENDED ONLY TO INFORM YOU OF WHERE TO OBTAIN THIS INFORMATION AND IS NOT AN INDICATION OF THE PRESENCE OF REGISTERED SEX OFFENDERS.

2. PROXIMITY TO FARMING/WORKING FOREST

THIS NOTICE IS TO INFORM YOU THAT THE REAL PROPERTY YOU ARE CONSIDERING FOR PURCHASE MAY LIE IN CLOSE PROXIMITY TO A FARM OR WORKING FOREST. THE OPERATION OF A FARM OR WORKING FOREST INVOLVES USUAL AND CUSTOMARY AGRICULTURAL PRACTICES OR FOREST PRACTICES, WHICH ARE PROTECTED UNDER RCW 7.48.305, THE WASHINGTON RIGHT TO FARM ACT.

3. OIL TANK INSURANCE

THIS NOTICE IS TO INFORM YOU THAT IF THE REAL PROPERTY YOU ARE CONSIDERING FOR PURCHASE UTILIZES AN OIL TANK FOR HEATING PURPOSES, NO COST INSURANCE MAY BE AVAILABLE FROM THE POLLUTION LIABILITY INSURANCE AGENCY.

III. BUYER'S ACKNOWLEDGEMENT

1. BUYER HEREBY ACKNOWLEDGES THAT:

- A. Buyer has a duty to pay diligent attention to any material defects that are known to Buyer or can be known to Buyer by utilizing diligent attention and observation.
- B. The disclosures set forth in this statement and in any amendments to this statement are made only by the Seller and not by any real estate licensee or other party.
- C. Buyer acknowledges that, pursuant to RCW 64.06.050 (2), real estate licensees are not liable for inaccurate information provided by Seller, except to the extent that real estate licensees know of such inaccurate information.
- D. This information is for disclosure only and is not intended to be a part of the written agreement between the Buyer and Seller.
- E. Buyer (which term includes all persons signing the "Buyer's acceptance" portion of this disclosure statement below) has received a copy of this Disclosure Statement (including attachments, if any) bearing Seller's signature(s).

DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT ARE PROVIDED BY SELLER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE. UNLESS BUYER AND SELLER OTHERWISE AGREE IN WRITING, BUYER SHALL HAVE THREE (3) BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT.

BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS DISCLOSURE STATEMENT AND ACKNOWLEDGES THAT THE DISCLOSURES MADE HEREIN ARE THOSE OF THE SELLER ONLY, AND NOT OF ANY REAL ESTATE LICENSEE OR OTHER PARTY.

Buyer Date

Buyer Date

2. BUYER'S WAIVER OF RIGHT TO REVOKE OFFER

Buyer has read and reviewed the Seller's responses to this Seller Disclosure Statement. Buyer approves this statement and waives Buyer's right to revoke Buyer's offer based on this disclosure.

Buyer Date

Buyer Date

3. BUYER'S WAIVER OF RIGHT TO RECEIVE COMPLETED SELLER DISCLOSURE STATEMENT

Buyer has been advised of Buyer's right to receive a completed Seller Disclosure Statement. Buyer waives that right. However, if the answer to any of the questions in the section entitled "Environmental" would be "yes," Buyer may not waive the receipt of the "Environmental" section of the Seller Disclosure Statement.

Buyer Date

Buyer Date

NH 8.22.24
SELLER'S INITIALS Date

SELLER'S INITIALS Date

For Commission Review – 09/10/2024

Motion authorizing the General Manager/CEO to execute Change Order No. 3 to Contract 430-11445C with Cornforth Consultants, Inc., increasing the not-to-exceed contract amount by \$1,900,000.00 plus applicable sales tax for a new revised maximum contract total of \$4,000,000.00 with the completion date remaining as of December 31, 2027 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. 3.

xxxx

MEMORANDUM

August 28, 2024

TO: Richard Wallen, General Manager/Chief Executive Officer

VIA: Jeff Grizzel, Chief Operating Officer
Rey Pulido, Director of Power Production
Dale Campbell, P.E., Senior Manager of Power Production Engineering
Rebecca Simpson, Manager of Civil and Dam Safety Engineering
Zach Ruby, P.E., Chief Dam Safety Engineer

FROM: Logan Castle, P.E., Dam Safety Engineer

SUBJECT: Contract 430-11445C, Change Order No. 3

Purpose: To request Commission approval of Change Order No. 3 to Contract 430-11445C to increase Contract Price by \$1,900,000 for a new Not-to-Exceed Contract value of \$4,000,000.

Discussion: Cornforth Consultants was awarded Contract 430-1445C in March of 2023 to provide primarily geotechnical-related engineering support for dam safety. Cornforth has proven to provide top-tier engineering support for various complex dam safety engineering projects, analyses, and evaluations. These include the Wanapum Left Embankment seismic risk analysis; subject matter expert for the 2024 FERC-required Priest Rapids Part 12 Level 2 Risk Analysis; development of Priest Rapids Left Embankment drilling program plan; Wanapum Right Embankment geotechnical data summary preparation; filter and seepage analyses on Priest Rapids and Wanapum Dam embankments; Wanapum Left Embankment and Priest Rapids Left Embankment stability analyses; and various instrumentation upgrades.

Due to ongoing and anticipated tasks planned for the remainder of this Contract, a Change Order is required to allow continued support from Cornforth through 2027. This proposed Change Order will allow District Dam Safety Engineering staff to continue to rely on Cornforth to provide support for completion of the Wanapum Left Embankment seismic risk analysis, execution of the Priest Rapids Left Embankment drilling program plan and updated stability analysis, and other tasks supporting Dam Safety O&M projects. Additional tasks anticipated to be assigned to Cornforth under this Contract include support for the 2026 FERC-required Part 12 Periodic Inspection at Wanapum Dam, Wanapum Right Embankment drilling program plan, and an updated seismic stability analysis of Priest Rapids Right Embankment. Cornforth is the ideal choice to support the 2026 Part 12 Periodic Inspection at Wanapum Dam due to the complex geotechnical issues involved which they are already familiar with. Other future tasks may also be assigned to Cornforth depending on the nature of the work and their ability to meet our project budget and schedule requirements.

Justification: Cornforth Consultants has provided high-quality dam safety engineering professional services to the District since 2017. Cornforth's performance and quality engineering services exceeds similar services received from other engineering contractors. These services allow the District to be in compliance and in good standing with the FERC Division of Dam Safety and Inspections and fulfill our value of safety by maintaining and operating our dams in a safe and responsible manner.

Cornforth has heavily supported the Wanapum Dam Left Embankment Seismic Risk Analysis, which is now entering the final reporting phase, with scheduled completion in 2025. Cornforth's support is critical for completing final reports and developing a dam safety case for potential risk mitigation measures for the Wanapum Left Embankment. The recent 2024 FERC-required Priest Rapids Part 12 Comprehensive Assessment risk analysis has highlighted the need to proceed with the execution of the drilling program plan on the Priest Rapids Left Embankment and an updated seismic stability analysis of the Priest Rapids Right Embankment. The 2021 Wanapum Dam Part 12 Inspection Report highlighted concerns within the Left Embankment River Closure Section and demonstrated the need for the District to maintain relationships with highly qualified, geotechnical engineering firms within the region to help evaluate and monitor our embankment structures. Cornforth Consultants has extensive familiarity with the complex embankment structures, construction history, and ongoing analysis at Wanapum and Priest Rapids Dam. Continuing Cornforth's support is the best value to the District.

By increasing this Contract value, the District remains on schedule with current dam safety engineering tasks Cornforth is supporting, as well as positioning the District advantageously for dam safety engineering support anticipated through 2027 by ensuring the qualified and familiar personnel of Cornforth are available.

Financial Considerations: Change Order No. 3 is requesting the addition of \$1,900,000 to the Cornforth Contract to fund the contract through contract expiration in December of 2027. These funds will be included in the relevant yearly budgets and charges incurred by this contract will be allocated to various projects depending on the specific project being supported. Billing rates were evaluated and negotiated prior to contract award and appear to be fair and reasonable based on the type of engineering support required for this contract.

Change Order History: This is the third change order for this contract. Change Order No. 2 provided an additional \$500,000 of funds to cover Cornforth's forecasted workload through 2024.

Legal Review: See attached email.

Recommendation: Commission approval of Change Order No. 3 to Contract 430-11445C to increase Contract Price by \$1,900,000 for a new Not-to-Exceed Contract value of \$4,000,000.

From: Jeff Grizzel <Jgrizzel@gcpud.org>
Sent: Wednesday, September 4, 2024 10:30 AM
To: Logan Castle <lcastle@gcpud.org>; Rey Pulido <Rpulido@gcpud.org>; Zach Ruby <Gruby@gcpud.org>; Rebecca Simpson <Rsimpso@gcpud.org>; Dale Campbell <Dcampbe@gcpud.org>; Beau Schwab <bschwab@gcpud.org>
Subject: Re: [Approval Request] Commission Memo Contract No. 430-11445C - Change No. 3

I'm good with the memo.

Rey, Dale, and Becca - please ensure we have someone attend the Commission meeting when this change order comes up for review in case there are questions.

Jeff

From: Logan Castle <lcastle@gcpud.org>
Sent: Wednesday, September 4, 2024 10:22 AM
To: Rey Pulido <Rpulido@gcpud.org>; Zach Ruby <Gruby@gcpud.org>; Rebecca Simpson <Rsimpso@gcpud.org>; Dale Campbell <Dcampbe@gcpud.org>; Beau Schwab <bschwab@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>
Subject: RE: [Approval Request] Commission Memo Contract No. 430-11445C - Change No. 3

I approve the memo.

Thanks,

Logan Castle, PE
Civil & Dam Safety Engineer
OFFICE 509.754.5088 ext. 3165
CELL 509.859.6700

From: Rey Pulido <Rpulido@gcpud.org>
Sent: Wednesday, September 4, 2024 10:19 AM
To: Zach Ruby <Gruby@gcpud.org>; Rebecca Simpson <Rsimpso@gcpud.org>; Dale Campbell <Dcampbe@gcpud.org>; Beau Schwab <bschwab@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Logan Castle <lcastle@gcpud.org>
Subject: RE: [Approval Request] Commission Memo Contract No. 430-11445C - Change No. 3

I have reviewed and approve.

Take Care,

Rey Pulido
Director of Power Production
OFFICE 509.764.0500
EXT. 3128
CELL 509-393-6900

EMAIL rpulido@gcpud.org



grantpud.org

From: Zach Ruby <Gruby@gcpud.org>
Sent: Wednesday, September 4, 2024 10:18 AM
To: Rebecca Simpson <Rsimpso@gcpud.org>; Dale Campbell <Dcampbe@gcpud.org>; Beau Schwab <bschwab@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Rey Pulido <Rpulido@gcpud.org>; Logan Castle <lcastle@gcpud.org>
Subject: Re: [Approval Request] Commission Memo Contract No. 430-11445C - Change No. 3

I have reviewed and approve the memo.
-Zach

Zach Ruby, PE
Chief Dam Safety Engineer
509-754-8333 **OFFICE**
503-686-8321 **MOBILE**

From: Rebecca Simpson <Rsimpso@gcpud.org>
Sent: Wednesday, September 4, 2024 10:16 AM
To: Dale Campbell <Dcampbe@gcpud.org>; Beau Schwab <bschwab@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Rey Pulido <Rpulido@gcpud.org>; Zach Ruby <Gruby@gcpud.org>; Logan Castle <lcastle@gcpud.org>
Subject: RE: [Approval Request] Commission Memo Contract No. 430-11445C - Change No. 3

Beau,

I have reviewed the memo and approve it.

Thanks,
Becca
Becca Simpson
Civil & Dam Safety Engineering Manager
509.521.9896

From: Dale Campbell <Dcampbe@gcpud.org>
Sent: Wednesday, September 4, 2024 10:05 AM
To: Beau Schwab <bschwab@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Rey Pulido <Rpulido@gcpud.org>; Rebecca Simpson <Rsimpso@gcpud.org>; Zach Ruby <Gruby@gcpud.org>; Logan Castle <lcastle@gcpud.org>
Subject: RE: [Approval Request] Commission Memo Contract No. 430-11445C - Change No. 3

I have reviewed and approve of the Commission memo.

Dale

From: Beau Schwab <bschwab@gcpud.org>

Sent: Wednesday, September 4, 2024 9:58 AM

To: Jeff Grizzel <Jgrizzel@gcpud.org>; Rey Pulido <Rpulido@gcpud.org>; Dale Campbell <Dcampbe@gcpud.org>; Rebecca Simpson <Rsimpso@gcpud.org>; Zach Ruby <Gruby@gcpud.org>; Logan Castle <lcastle@gcpud.org>

Subject: [Approval Request] Commission Memo Contract No. 430-11445C - Change No. 3

Hello all,

We have Legal approval to move Change Order 3 for the subject Dam Safety Engineering Services Contract to the Commission Packet for submission on September 12th, 2024, for the September 24th, 2024 Commission meeting. Prior to doing so, can each of you please acknowledge by return email that you approve of the attached Commission Memo? If you need to review anything else, all the information can be found [here](#).

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



grantpud.org

CHANGE ORDER
NO. 3

Pursuant to Section 5, 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 December 31, 2027.
- C. Contract Price Adjustment: As a result of this Change Order, the not to exceed Contract Price shall be increased by the sum of \$1,900,000.00 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 \$4,000,000.00, 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

Cornforth Consultants, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____



Change Order Table

Contract Title: Dam Safety Engineering Services

Contract No.	430-11445C	Award Date:	3/2/2023
Project Manager:	N/A	Original Contract Amount:	\$1,600,000.00
District Representative (If Different):	Logan Castle	Original Contract completion:	12/31/2027
Contractor:	Cornforth Consultants, Inc.		

CO#	Change Description	Approved by	Executed Date	Revised Completion Date	Cost Change Amount	Revised Contract Amount	Authority Level Tracking
1	Rate Schedule Appendix "B" Increases	Dept Mgr	02/13/24	N/A	\$0.00	\$1,600,000.00	
2	Increase Contract Price	Managing Director	05/06/24	N/A	\$500,000.00	\$2,100,000.00	\$500,000.00
3	Increase Contract Price	Comm		N/A	\$1,900,000.00	\$4,000,000.00	\$2,400,000.00
Total Change Order Cost Change Amount					2,400,000.00		