

A G E N D A
GRANT COUNTY PUBLIC UTILITY DISTRICT
14353 Highway 243 South - Hydro Office Building
Beverly, Washington
COMMISSION MEETING
Tuesday, September 24, 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 September 10, 2024.

2. Regular Agenda

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute Contract 130-12168A and resetting 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. (3488)

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute Contract 130-12168B and resetting 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. (3489)

3. Review Items For Next Business Meeting

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)

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to sign Real Estate Purchase and Sale Agreement between Estate of David L. Sparks 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 159.18 acres, more or less and commonly known as Grant County Assessor Parcel No. 18-0246-000, 21-1771-000, 18-024-7000 in Section 30, Township 19 Range 29 East, W.M., Grant County, Washington, in the amount of \$10,145,000.00 (\$9,750,000 for the two parcels totaling 150 acres and \$395,000.00 for 9.1 acre parcel). (xxxx)

4. Reports from Staff (if applicable)

Adjournment

CONSENT AGENDA

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

September 10, 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 and correspondence.

The Commission calendar was reviewed.

The Commissioners reviewed future agenda items.

Trade association and committee reports were reviewed.

The Commission recessed at 9:26 a.m.

The Commission resumed at 9:32 a.m.

A round table discussion was held regarding the following topics: SPP Markets +, PPC and PNUCC update; tree concern in Royal City; roundabout in Moses Lake inquiry.

Bryndon Ecklund, Lead Financial Analyst, reported on the Financial Forecast.

Cary West, Senior Manager of Customer Solutions, gave the Customer Solutions Quarterly Report.

Ross Hendrick, Senior Manager of Environmental Affairs, gave the Environmental Affairs Quarterly Report.

Brett Lenz, Manager of Cultural Resource, shared the Cultural Resource Quarterly Report.

An executive session was announced at 12:00 p.m. to last until 12:55 p.m. to review performance of a public employee with legal counsel present pursuant to RCW 42.30.110(1)(g) and to discuss pending litigation with legal counsel present pursuant to RCW 42.30.110(1)(i). The executive session concluded at 12:55 p.m. and the regular session resumed.

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

Payment Number	146425	through	146826	\$21,195,291.83
Payroll Direct Deposit	244603	through	245454	\$2,656,701.11
Payroll Tax and Garnishments	20240904A	through	20240904B	\$1,145,451.30

Meeting minutes of August 27, 2024.

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

Resolution No. 9064 relative to amending a policy was presented to the Commission. Motion was made by Commissioner Schaapman and seconded by Commissioner Cox to approve Resolution No. 9064. After consideration, the motion passed by unanimous vote of the Commission.

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.

Motion made by Commissioner Cox and seconded by Commissioner Wilson 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. After consideration, the motion passed by unanimous vote of the Commission.

Motion made by Commissioner Schaapman and seconded by Commissioner Cox 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. After consideration, the motion passed by unanimous vote of the Commission.

The Commission recessed at 1:23 p.m.

The Commission resumed at 1:30 p.m.

An executive session was announced at 1:30 p.m. to last until 2:30 p.m. to review performance of a public employee with legal counsel present pursuant to RCW 42.30.110(1)(g), to discuss pending litigation with legal counsel present pursuant to RCW 42.30.110(1)(i) and to discuss lease or purchase of real estate if disclosure would increase price with legal counsel pursuant to RCW 42.30.110(1)(b). The executive session concluded at 2:30 p.m. and the regular session resumed.

There being no further business to discuss, the Commission adjourned at 2:30 p.m. on September 10 and reconvened on Tuesday, September 17 at 9:00 a.m. at Grant PUD's Main Headquarters Building, 30 C Street SW, Ephrata, Washington for the purpose of holding a Commission Workshop and Mid-C GM and Commissioner dinner meeting, any other business that may come before the Commission with the following Commissioners present: Tom Flint, Terry Pyle, Larry Schaapman, Judy Wilson, and Nelson Cox.

There being no further business to discuss, the Commission adjourned at 3:00 p.m. on September 17 and reconvened on Wednesday, September 18 at 1:00 p.m. at Grant PUD's Main Headquarters Building, 30 C Street SW, Ephrata, Washington for the purpose of attending a meeting to

discuss legislative opportunities and any other business that may come before the Commission with the following Commissioners present: Tom Flint, Terry Pyle, Larry Schaapman, Judy Wilson, and Nelson Cox.

There being no further business to discuss, the Commission adjourned at 4:00 p.m. on September 18 and reconvened on Thursday, September 19 at 9:00 a.m. at Riverbend Park, Crescent Bar Recreation Area, Quincy, Washington for the purpose of holding an Employee Appreciation Day event and any other business that may come before the Commission with the following Commissioners present: Tom Flint, Terry Pyle, Larry Schaapman, Judy Wilson, and Nelson Cox. A copy of the notice of adjournment was posted to the Grant PUD website.

There being no further business to discuss, the September 10, 2024 meeting officially adjourned at 11:30 a.m. on September 19, 2024.

_____/s/
Tom Flint, President

ATTEST:

_____/s/
Larry Schaapman, Secretary

_____/s/
Terry Pyle, Vice President

_____/s/
Judy Wilson, Commissioner

_____/s/
Nelson Cox, Commissioner

REGULAR AGENDA

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
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: _____

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
- 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.



APPENDIX "H"
BACKGROUND CHECK/IDENTITY VERIFICATION BY CONTRACTOR/VENDOR

Contractor Name: S&C Electric Company Date:
Contract Number: 130-12168B 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)

Table with 5 columns: Employee Name, Background Check Completion Date, Indicate Pass (P) or Fail (F), Identity Verification Completion Date, PRA Completion Date (District use only). The table contains 7 empty rows for data entry.

(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 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 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>
--	--

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: _____

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
- 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.



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

Contractor Name: S&C Electric Company Date: _____
Contract Number: 130-12168B 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>
---	---

For Commission Review – 09/24/2024

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		

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to sign Real Estate Purchase and Sale Agreement between Estate of David L. Sparks 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 159.18 acres, more or less and commonly known as Grant County Assessor Parcel No. 18-0246-000, 21-1771-000, 18-024-7000 in Section 30, Township 19 Range 29 East, W.M., Grant County, Washington, in the amount of \$10,145,000 (\$9,750,000 for the two parcels totaling 150 acres and \$395,000 for 9.1 acre parcel).

xxxx

MEMORANDUM

September 16, 2024

TO: Richard Wallen, General Manager/Chief Executive Officer

VIA: Fallon Long, Chief Enterprise Shared Services Officer

FROM: Rhiannon Fronsman, Project Manager

SUBJECT: Real Property Acquisition to support future Grant PUD Facilities and Service Center

Purpose:

To request Commission approval to execute Real Estate Purchase and Sale Agreement (the "Agreement") between ESTATE OF DAVID LEE SPARKS and PUBLIC UTILITY DISTRICT NO.2 OF GRANT COUNTY, WASHINGTON a municipal corporation for the acquisition of certain parcels of land consisting of approximately 159.18 acres, more or less, and commonly known Grant County Assessor Parcel Numbers 18-0246-000, 21-1771-000, 18-024-7000 in Sections 30, Township 19, Range 29 East, W.M., Grant County, Washington. The property is near I-90 and HWY 17 and within the City of Moses Lake Urban Growth Area.

Discussion:

After years of intensive planning and analysis of Grant PUD's future needs and evaluation of certain existing facilities, Grant PUD's Facilities Master Plan effort was completed in 2022. The Master Plan identifies Grant PUD's need to construct two new service centers and a headquarters to meet long-term commitments (30 years and beyond) to provide excellent and reliable service, access, and efficiencies to our customers. Implementation of the Master Plan began in 2022 with a new Ephrata Service Center. A new Moses Lake Service Center development is planned upon or near completion of the new Ephrata Service Center.

Purchase of undeveloped real property is critical to design and construction of the new Moses Lake facility. County growth and demand for Grant PUD services are increasing and the existing Moses Lake Service Center facility is inadequate to keep up with current and long-term service demands. Constructing a new, larger, and more efficient facility is a more cost-effective and functional approach compared to improving the existing facility. By investing in a new facility Grant PUD can address current challenges and create an environment that supports future Grant PUD and customer growth needs and opportunities.

Justification:

Purchase of real property in this area will allow Grant PUD to construct the new Moses Lake Service Center and other essential facilities necessary to meet long term customer needs, future organization growth, and allow Grant PUD to continue safely, efficiently, and reliably providing electric power and fiber optic broadband services to our customers. It will also provide access to City of Moses Lake water and sewer facilities, and the regional transportation system, allowing for efficient response to outages and other customer service calls.

If request to execute the Agreement is not approved, Grant PUD will have to consider less promising property opportunities to plan, design and construct a Moses Lake area service center consistent with Master Plan recommendations. Grant PUD will continue to incur significant costs to continue operating from aging facilities. Many components at Grant PUD facilities are outdated and reaching the end of their usable lifecycle, there is a backlog of deferred maintenance items, and there are building system failures occurring on a regular basis. As services to our customers continue to expand, leased spaces are and will continue to be required to house employees and assets.

Several other property options varying in acreage size and location were considered and explored for new facilities. Properties were evaluated on potential infrastructure costs, size, land use, and constraints. Ultimately, acquiring this property from the Estate of David Sparks is recommended by staff as the best option for meeting the long-term needs of Grant PUD customers and employees.

Financial Considerations:

This property is being purchased at the fair market value of the desired acreage. Property purchase for the new Moses Lake Service Center project and other new Grant PUD facilities was evaluated and considered for financial approval and adequate budget is available to purchase this property from Grant County.

Contract Specifics:

See attached Purchase and Sale Agreement.

Recommendation:

Commission approval to execute Real Estate Purchase and Sale Agreement (the "Agreement") between ESTATE OF DAVID LEE SPARKS and PUBLIC UTILITY DISTRICT NO.2 OF GRANT COUNTY, WASHINGTON a municipal corporation for the acquisition of certain parcels of land consisting of approximately 159.18 acres, more or less, and commonly known Grant County Assessor Parcel Numbers 18-0246-000, 21-1771-000, 18-024-7000 in Sections 30, Township 19, Range 29 East, W.M., Grant County, Washington.

Legal Review:

See attached e-mail(s).

REAL ESTATE PURCHASE AND SALE AGREEMENT

This Real Estate Purchase and Sale Agreement (the “Agreement”) is dated September 12, 2024, and is entered into by and between the ESTATE OF DAVID L. SPARKS (“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. The property to be purchased by Buyer (the “Property”) shall consist of (i) that certain parcels of land consisting of approximately 159.18 acres, more or less, and commonly known Grant County Assessor Parcel Numbers 18-0246-000, 21-1771-000, 18-024-7000 in Sections 30, Township 19, Range 29 East, W.M., 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, domestic water and mineral rights and shares of stock pertaining to domestic 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, Buyer 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 bargain and sale deed 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 of 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 \$10,145,000 (\$9,750,000 for the two parcels totaling 150 acres and \$395,000 for 9.1 acre parcel) and shall be payable 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 bargain and sale 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. 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. Seller shall retain any irrigation circles located on the property.

(b) Copies of all maintenance, service and other agreements (if any) affecting the Property.

(c) Copies of all construction and equipment warranties (if any) 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 (if any) relating to the physical condition of the Property or adjacent properties prepared subsequent 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 (if any) 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) Real estate transfer taxes; and
- (iv) 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 bargain and sale 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 bargain and sale deed and a bill of sale conveying to Buyer the personal property (if any); 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.

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.

Documents. Buyer's review and approval of all items required to be delivered to Buyer pursuant to Section 5 of this Agreement.

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.

(ii) Fair Market Value. Buyer's receipt of an appraisal prepared by Pacific Appraisal Associates, to determine the fair market value of the property meets or exceeds the purchase price.

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 conducted by Western Pacific Engineering, 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, 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 representations or 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. Representations and Warranties of Seller. Seller hereby makes the following representations and warranties to Buyer, which representations shall be true as of the Closing and shall survive Closing for a period of ninety (90) days.

(a) To Seller's knowledge, the Property, improvements on the Property, and all systems therein, and the use being made thereof at Closing, conform to all fire, zoning, health, environmental, subdivision, building, labor and other federal, state and local codes, laws, rules and regulations, and there are no violations thereof with respect to the Property not heretofore removed or corrected; and Seller has received no notices of any action or government proceeding in eminent domain, zoning change or otherwise, which would affect the Property; nor does Seller know of any fact which might give rise to such proceeding.

(b) To Seller's knowledge, no part of any improvements on the Property encroaches upon any property adjacent thereto or upon any easements, nor are there any encroachments upon the Property.

(c) No leases or rental agreements concerning the Property shall be entered into subsequent to the mutual execution hereof and prior to Closing without the prior written consent of Buyer.

(d) To Seller's knowledge, there are no maintenance, advertising, management, leasing, employment, service, or other contracts affecting the Property which will be in effect at Closing, other than those transferred to and approved by Buyer prior to Closing.

(e) To Seller's knowledge, all applicable permits, declarations, and other evidences of compliance from regulatory authorities required to be obtained at the Property, the sale of the Property to

Buyer, and the operation and use of the Property, including, without limitation, those regulating the division and partition of real property and environmental matters, have been obtained.

(f) To Seller's knowledge, there are no mechanics', materialmen's or similar claims or liens presently claimed or which will be claimed against the Property for work performed or commenced prior to Closing. Seller agrees to hold Buyer harmless from all costs, expenses, liabilities, losses and charges arising from or relating to any such lien or any similar lien claimed against the Property and arising from work performed or commenced prior to Closing.

(g) Seller has made no untrue statements or representations in connection with this Agreement, and all items transferred to Buyer on or before Closing are true and correct copies of what they purport to be. Said items have not been amended or modified, other than as also transferred to Buyer, and no items that should have been set forth as exhibits hereto or transferred to Buyer on or before Closing have not been so set forth or transferred. To Seller's knowledge, Seller has not failed to state or disclose any material fact in connection with the transactions contemplated by this Agreement.

(h) To Seller's knowledge, none of the personal property being acquired by Buyer pursuant to this Agreement, including, without limitation, any leases, is subject to any outstanding security interest, other than in favor of beneficiaries of deeds of trust listed in the Preliminary Title Report.

(i) Seller has the capacity and requisite authority to enter into and carry out this Agreement and the transactions contemplated hereby and has or prior to Closing will fulfill all statutory requirements necessary to convey the Property to Buyer.

(j) Except as may have been otherwise expressly provided herein, Seller shall not further encumber the Property or any of the improvements or personal property thereon.

(k) To Seller's knowledge, there is no suit, action or arbitration, or legal or other proceeding or governmental investigation pending which affects the Property.

(l) Except as described in environmental reports provided to Buyer or in any disclosure statement, and to Seller's knowledge (i) the Property does not contain, no activity on the Property has produced, and the Property has not been used in any manner for the storage, discharge, deposit or dumping of hazardous or toxic wastes or substances, whether in the soil, ground water or otherwise; (ii) the Property does not contain underground tanks of any kind; (iii) the Property does not contain and does not produce polychlorinated biphenyls, asbestos, urea formaldehyde or radon gas; and (iv) there are no surface or subsurface conditions which constitute or with the passage of time may constitute a public or private nuisance. Seller has not undertaken any of the foregoing activities and has not caused or allowed any of the foregoing conditions to exist on the Property.

(m) Seller is not a foreign person, nonresident alien, foreign corporation, foreign partnership, foreign trust, or foreign estate, as those terms are defined in the Internal Revenue Code and the Income Tax Regulations promulgated thereunder.

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 representations and warranties. These representations and warranties shall survive Closing for a period of ninety (90) days.

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. Buyer's activities on the Property shall not disrupt Lessee's use of the Property. 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.

10. Seller's Remedy. Following waiver of all of Buyer's contingencies set forth in Sections 7(a) 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, then, in addition to all other rights or remedies available to Buyer for Seller's breach of this Agreement, including specific performance, Buyer shall have the right to terminate this Agreement upon notice thereof to Seller. Buyer, at its option, may elect to waive the performance of any condition, contingency or provision in Buyer's favor set forth in this Agreement. If any condition to Closing shall not be satisfied, Buyer, at its option, may terminate this Agreement, and such termination, by itself, shall not be deemed a breach hereunder.

12. Miscellaneous.

(a) All notices, consents and approvals required by this Agreement shall be either:

(i) personally delivered; or placed in the United States mail, properly addressed and with full first-class postage prepaid, 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.

(ii) Said notices, consents and approvals shall be sent to the parties hereto at the following addresses, unless otherwise notified in writing:

To Seller: Estate of David Sparks
c/o Ron Sparks, Co-Personal Representative
3521 Road S NE
Moses Lake, WA 98837

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) Exhibits. All exhibits attached hereto are hereby incorporated by reference and made a part hereof.

(e) Time of the Essence. Time is of the essence in connection with each and every provision of this Agreement.

(f) 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.

(g) 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 not be entitled to assign Buyer's interest under this Agreement, without the prior written consent of Seller.

(h) 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.

(i) 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.

(j) 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.

(k) 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:

BUYER:

ESTATE OF DAVID L. SPARKS

PUBLIC UTILITY DISTRICT NO 2 OF GRANT COUNTY, WASHINGTON, a municipal corporation

By: Babette M. Sparks
Babette M. Sparks, Co-Personal Representative

By: _____
Richard Wallen, General Manager

By: Ronald D. Sparks
Ronald D. Sparks, Co-Personal Representative

By: Sharon L. McConkie
Sharon L. McConkie, Co-Personal Representative

By: Debra K. Curtis
Debra K. Curtis, Co- Personal Representative