

A G E N D A
GRANT COUNTY PUBLIC UTILITY DISTRICT
30 C Street SW – Commission Meeting Room
Ephrata, Washington
COMMISSION MEETING
Tuesday, October 22, 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 October 8, 2024

2. Regular Agenda

9065 – Resolution Accepting a Bid and Awarding Contract 170-11844R, for Supplying 115kV and 230 kV High Voltage SF6 Circuit Breaker(s).

Motion authorizing the General Manager/CEO to execute Change Order No. 3 to Contract 430-11765 with Absher Construction Design Build Team, increasing the not-to-exceed contract amount by \$28,211,336.00 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. 3. (3493)

Motion authorizing the General Manager/CEO to execute Change Order No. 13 to Contract 430-4045 with Voith Hydro Inc., increasing the not-to-exceed contract amount by \$79,535,551.56 for a

new contract total of \$155,411,603.56 and resetting the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for charges incurred as a result of Change Order No. 13. (3494)

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to approve and execute insurance renewal coverages on or before November 1, 2024. (3495)

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute Real Estate Purchase and Sale Agreement between Langshaw Investments LLC, a limited liability company and Public Utility District No. 2 of Grant County, Washington a municipal corporation for the acquisition of a parcel of land consisting of approximately 10 acres, more or less, and commonly known as a portion of Grant County Assessor Parcel No. 161328000 in that portion of NW-NE-SW Section 18 Township 18 North, Range 27, Grant County, Washington in the amount of Twelve Thousand Dollars (12,000). (3496)

3. Review Items For Next Business Meeting

XXXX – Resolution Establishing Grant PUD’s Cell Phone Policy.

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to approve the purchase of 4 parcels at Rd. W. NE and Rd. 16 NE totaling approximately 960 acres at a cost of \$1,056,000.00 plus closing costs of \$2,000.00 and including honoring the existing farm lease through August 2025. (xxxx)

4. Reports from Staff (if applicable)

Adjournment

CONSENT AGENDA

Draft – Subject to Commission Review

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

October 8, 2024

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

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

The Commission convened to review vouchers.

The Commission calendar was reviewed. Trade association and committee reports were reviewed.

The Commission recessed at 9:17 a.m.

The Commission resumed at 9:36 a.m.

A round table discussion was held regarding the following topics: power update in George; last Rate breakdown presentation; WPUA legislative update, The Dynamic Dozen article noting Grant PUD as 10th largest PUD in the US.

Terry Mckenzie, Senior Manager Telecom Fiber and Jake Johnson, Manager of Telecom Fiber Services, presented the Telecom and Fiber Business report.

Russ Seiler, Senior Manager Asset Management, presented the Asset Management Quarterly Report.

JT Wallace, Project Coordinator, and Vince Von Paul, Manager Enterprise Project Management Office, gave the Voith Hydro Inc. presentation.

The Commission recessed at 11:20 a.m.

The Commission resumed at 12:00 p.m.

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 by Commissioner Wilson and seconded by Commissioner Cox to approve the following consent agenda items:

Payment Number	147236	through	147746	\$12,577,334.18
Payroll Direct Deposit	246299	through	247140	\$2,609,076.57
Payroll Tax and Garnishments	20241002A	through	20241002B	\$1,096,762.57

Meeting minutes of September 24, 2024.

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

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

Motion was approved by Commissioner Cox and seconded by Commissioner Pyle 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). After consideration, the motion passed by unanimous vote of the Commission.

Motion was made by Commissioner Schaapman and seconded by Commissioner Cox authorizing the General Manager/CEO, on behalf of Grant PUD, to approve or deny the appeal on Tort Claim #24-066 in the amount of \$2,099. After consideration, the motion passed by unanimous vote of the Commission.

The Commission recessed at 1:35 p.m.

The Commission resumed at 2:00 p.m.

Commissioner Flint announced the opening of public input period for the 2025 Proposed Budget.

The Commission recessed at 2:40 p.m.

The Commission resumed at 6:00 p.m.

There being no further business to discuss, the Commission adjourned at 6:28 p.m. on October 8 and reconvened on Tuesday, October 15 at 9:00 a.m. at Grant PUD's Main Headquarters Building, Commission Room, 30 C Street SW, Ephrata, Washington for the purpose of holding a Commission Workshop 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 October 8, 2024 meeting officially adjourned at 1:40 p.m. on October 15, 2024.

Tom Flint, President

ATTEST:

Larry Schaapman, Secretary

Terry Pyle, Vice President

Judy Wilson, Commissioner

Nelson Cox, Commissioner

REGULAR AGENDA

RESOLUTION NO. 9065

A RESOLUTION ACCEPTING A BID AND AWARDING CONTRACT 170-11844R, FOR SUPPLYING 115kV AND 230kV HIGH VOLTAGE SF6 CIRCUIT BREAKER(S)

Recitals

1. Bids were publicly opened on September 5, 2024 for Contract 170-11844R, for Supplying 115kV and 230kV High Voltage SF6 Circuit Breaker(s);
2. Bid proposals were received from the following suppliers/contractors and evaluated by Grant PUD's staff;
 - Irby Electrical Utilities, bidding GE Grid Solutions, LLC. \$14,818,890.00 (Base Bid Price) \$15,051,310.00 (Additive Bid Price)
3. The low bid, submitted by Irby Electrical Utilities is both commercially and technically compliant with Grant PUD's contract requirements;
4. The bid is less than the Engineer's Estimate of \$16,845,000.00 (Base Bid Price) and \$16,505,000.00 (Additive Bid Price); and
5. Grant PUD's Senior Manager of Power Delivery Engineering and Director of Power Delivery concur with staff and recommend award to Irby Electrical Utilities as the lowest responsible and best bid based on Grant PUD's plan and specifications.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington, that the General Manager is authorized to enter into a contract, Contract 170-11844R, for Supplying 115kV and 230kV High Voltage SF6 Circuit Breaker(s) with Irby Electrical Utilities of Portland, OR in the amount of \$29,870,200.00 plus applicable sales tax, upon receipt of the required payment and performance bond in a manner satisfactory to Grant PUD's Counsel.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 22nd day of October, 2024.

President

ATTEST:

Secretary

Vice President

Commissioner

Commissioner

MEMORANDUM

September 25, 2024

TO: Rich Wallen, General Manager/CEO

VIA: Jeff Grizzel, Chief Operating Officer Jeff Grizzel
Jeff Grizzel (Sep 25, 2024 12:41 PDT)
Ron Alexander, Director of Power Delivery Ron Alexander
Ron Alexander (Sep 25, 2024 12:40 PDT)
Jesus Lopez, Senior Manager of Power Delivery Engineering Jesus Lopez
Angel Barahona-Sanchez, TSA Engineering Manager Angel Barahona-Sanchez
Angel Barahona-Sanchez (Sep 25, 2024 12:37 PDT)

FROM: Dan Niehenke, District Representative Dan Niehenke
Dan Niehenke (Sep 25, 2024 12:26 PDT)

SUBJECT: Award of Contract 170-11844R – Supplying 115kV and 230kV High Voltage SF6 Circuit Breaker(s) - Rebid

Purpose: To request Commission approval to award Contract 170-11844R to Irby Electrical Utilities, to supply 115kV and 230kV High Voltage SF6 Circuit Breakers for a not to exceed Contract Price of \$29,870,200.00, plus sales tax.

Discussion: Advertisements were placed in the Columbia Basin Herald newspaper in addition to the District's ProcureWare site with a sealed bid opening on September 5th, 2024, at 2:00 PM. Only one bid was received:

- Irby Electrical Utilities – \$14,818,890.00 (Base Bid Price) + \$15,051,310.00 (Additive Bid Price)
 - Bidding GE Grid Solutions, LLC

This contract was structured to meet current and anticipated material needs over the next five (5) years. Upon award of the contract, the District is committing to purchase four (4) 115kV and fifty-nine (59) 230kV circuit breakers over the duration of the contract. The District will have the option to purchase additional units specified in the Bid Form via purchase order through the term of the contract, which expires on December 31, 2029, up to the total Contract Price.

The bid was evaluated for technical and commercial compliance. District staff concludes that the bid submitted by Irby Electrical Utilities is both commercially and technically compliant.

Justification: 115kV and 230kV high voltage SF6 circuit breakers are a critical component used within District transmission substations to protect transmission assets, such as lines and transformers. Each transmission line terminal requires at least one circuit breaker. For increased reliability purposes, new transmission substations being designed require numerous circuit breakers, ranging from as few as four (4) to over forty (40) per station. These circuit breakers will allow for District staff to continue to design and construct transmission stations, enabling the District to expand its transmission system in response to growing load requests.

The 115kV circuit breakers are proposed to cover a 115kV Ring-Bus transmission station, similar to what is being constructed at South Ephrata. Should anticipated projects not materialize, these circuit breakers would be repurposed to lifecycle existing circuit breakers that are mechanically worn out or have reached the end of their useful life.

The 230kV circuit breakers will be purchased to complete many of the numerous approved and prospective projects. The approved projects have sensitive deadlines and rely on the acquisition of these circuit breakers.

Approved and budgeted projects:

- Mountain View – (20) 230kV circuit breakers (expansion, initial QTEP quantity on hand)
- Monument Hill – (18) 230kV circuit breakers (new construction)
- Wanapum Switchyard – (2) 230kV circuit breakers (expansion and spare)

Prospective projects:

- West Quincy – (4) 230kV circuit breakers (new construction)
- Wheeler – (15) 230kV circuit breakers (new construction)

By establishing a not-to-exceed contract price of \$29,870,200.00, with the option to buy as many as sixty-seven (67) additional circuit breakers, District staff can proactively order materials to meet the needs of projects and system requirements as they arise by issuing purchase orders, rather than going through a lengthy change order or bidding process for each additional purchase. This contract model has worked well for the District in the past, allowing staff to quickly place orders as lead times grew and slots opened up.

Financial Considerations: The bid submitted by Irby Electrical Utilities was the only bid received.

Pricing of the circuit breakers is tied to a Bureau of Labor and Statistics producers price index. With lead times extending out two to three years, or more, across the industry, vendors expressed concern over locking in the index when a Purchase Order is issued. District Staff worked to find an equitable solution, deciding to lock in the index six (6) months prior to delivery, a point where most of the material acquisition would likely occur for the manufacturers. This ensures the District is paying a fair price, protected from arbitrary price escalations, and is adjusted based upon an independent metric.

All of the circuit breakers that the District is committing to purchasing are for projects that are committed or District staff has a high confidence level of occurring. Of the sixty-three (63) circuit breakers that the District is committing to purchase, forty (40) are for approved and budgeted projects associated with the Quincy Transmission Expansion Plan (QTEP), fifteen (15) circuit breakers are for planned expansion or improvements in the Wheeler corridor, with the remaining eight (8) slated for other proposed projects.

With the changing landscape of material supply and demand, many manufacturers have opted to take advance partial payments on units ordered. GE Grid Solutions, the manufacturer Irby Electric Utilities is representing, as well as other circuit breaker manufacturers, has implemented this payment model. The District will be required to pay 20% upon ordering, 20% at drawing/design review, and the 60% balance at delivery. While this changes how the District has traditionally paid for large materials, it does not increase what the District pays in the end.

For all additional 115kV and 230kV circuit breakers quantities, the District has the right and option, but no obligation, to purchase additional units. These are estimated quantities, so changes in project plans or system needs will not require further Commission action.

Contract Specifics: Contract 170-11844R consists of six (6) bid items for circuit breakers of different voltage and current ratings for specific projects. Also included are Additive Bid Items for additional quantities of each class and rating of circuit breaker to meet the Districts near term future project needs.

Initial delivery of the 115kV breakers are expected to be approximately 100 weeks following receipt of a District purchase order. Initial delivery of the 230kV breakers are expected to be approximately 138 weeks following receipt of a District purchase order. Irby Electrical Utilities indicated on the bid form that they could meet the District's need dates, with durations as short as 67 weeks. Specific delivery durations, based upon factory availability, will be mutually agreed upon prior to the District issuing a Purchase Order. Any additional quantities ordered will utilize the same process.

This contract is the result of a rebid of contract 170-11844. During the evaluation of the single bid received, it was determined that the bidder took numerous exceptions to the District's terms and conditions, which disqualified their bid, necessitating a rebid.

Recommendation: Commission approval to award contract 170-11844R to Irby Electric Utilities, to supply 115kV and 230kV High Voltage SF6 Circuit Breakers for a not to exceed Contract Price of \$29,870,200.00, plus sales tax.

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

Contract Documents 170-11844R

Supplying 115kV and 230kV High Voltage SF6 Circuit Breaker(s) - Rebid

for

Public Utility District No. 2
of Grant County, Washington

Bid Due Date: September 4, 2024

TABLE OF CONTENTS

INSTRUCTIONS TO BIDDERS..... 1

1. SUBMISSION OF BID 1

2. COMPLIANCE WITH BID DOCUMENTS/BIDDER'S EXCEPTIONS 2

3. DISCREPANCIES OR OMISSIONS IN CONTRACT DOCUMENTS 2

4. DISTRICT'S RIGHT TO MODIFY CONTRACT DOCUMENTS 2

5. BIDDER'S WITHDRAWAL OR MODIFICATION OF BID 2

6. BID DELIVERY RESPONSIBILITY 2

7. BID EVALUATION..... 3

8. BIDDER'S DATA..... 5

9. BID BOND 8

10. WAIVE MINOR ERRORS 8

11. DISTRICT'S RIGHT TO REJECT BIDS 8

12. REFUSAL TO EXECUTE CONTRACT 9

13. PAYMENT AND PERFORMANCE BOND..... 9

14. PUBLIC RECORDS ACT 9

15. QUALIFICATION OF BIDDERS 9

16. CONTRACT DOCUMENTS 10

17. BIDDER QUESTIONS OR CLARIFICATIONS 10

GENERAL CONDITIONS 12

GC-1. FORM OF CONTRACT..... 12

GC-2. DEFINITIONS..... 12

GC-3. SUSPENSION OF CONTRACT OTHER THAN FOR DEFAULT 13

GC-4. TERMINATION FOR DEFAULT/NONCOMPLIANCE 14

GC-5. ASSIGNMENT 15

GC-6. INDEMNITY 15

GC-7. LAWS, REGULATIONS, PERMITS 15

GC-8. DAMAGES..... 16

GC-9. WARRANTY 16

GC-10. CHANGES IN WORK 16

GC-11. PAYMENT 18

GC-12. PAYMENTS WITHHELD..... 18

GC-13. INSPECTION 19

GC-14. CONFLICT AND PRECEDENCE/INTENT 19

GC-15. RIGHT TO OPERATE UNSATISFACTORY EQUIPMENT..... 20

GC-16. TAXES..... 20

GC-17. NON-WAIVER 20

GC-18. DISTRICT REPRESENTATIVE'S STATUS, AUTHORITY AND PROTEST PROCEDURE . 21

GC-19. ACTIVITIES ON DISTRICT PREMISES 21

SPECIFIC REQUIREMENTS 23

SR-1. SCOPE OF SUPPLY 23

SR-2. DELIVERY/LIQUIDATED DAMAGES 23

SR-3. DISTRICT'S RIGHT AND OPTION TO PURCHASE ADDITIONAL 115KV AND 230KV
HIGH VOLTAGE SF6 CIRCUIT BREAKERS 25

SR-4. SHIPPING AND NOTIFICATION INSTRUCTIONS 25

SR-5. NOTIFICATION OF SHIPMENT 27

SR-6. CODES AND STANDARDS..... 27

SR-7. CONTRACTOR'S DRAWINGS, DATA, INSTRUCTIONS and SUBMITTALS..... 27

SR-8. WITNESS TESTING..... 31
SR-9. PRICE ADJUSTMENTS..... 31
SR-10. SPARE PARTS..... 32
TECHNICAL SPECIFICATIONS 33
EXHIBIT “A” - BID FORM..... 34
EXHIBIT “B” - BID BOND..... 72
EXHIBIT “C” - CONTRACT FORM 73
EXHIBIT “D” - PAYMENT AND PERFORMANCE BOND 74
EXHIBIT “E” - CHANGE ORDER..... 76
EXHIBIT "F" – DISTRICT INSTRUCTIONS..... 77

INSTRUCTIONS TO BIDDERS

1. SUBMISSION OF BID

Sealed Bids shall be received by Public Utility District No. 2 of Grant County, Washington at the District's contracting offices at 154 A Street SE Building E, Ephrata, Washington no later than 2:00 p.m. on September 4, 2024 for Supplying 115kV and 230kV High Voltage SF6 Circuit Breaker(s) - Rebid as specified in Contract Documents 170-11844R. Bids received after that time shall be rejected as non-responsive. **Bid opening shall follow the Bid submittal deadline via Microsoft Teams video conference. The video conference will be the only manner by which the public can participate in the Bid opening. To participate in the Bid opening, please join the Teams meeting below:**

Microsoft Teams

[Join the meeting now](#)

Meeting ID: 248 307 070 809

Passcode: jcZWDq

Dial in by phone

[+1 509-703-5291,,510142754#](#) United States, Spokane

[Find a local number](#)

Phone conference ID: 510 142 754#

The original and one copy of the Bid and all required Bidder's Data shall be delivered in a completely sealed opaque envelope properly addressed to:

Nicona Butler, Procurement Officer
Public Utility District No. 2
of Grant County, Washington
154 A Street SE Building E
Ephrata, Washington 98823

Phone: (509) 906-6933

E-mail: Nbutler@gcpud.org

with the name of the Bidder written on the outside of the envelope and outer shipping container with the following:

Contract Documents: 170-11844R

Bid for: Supplying 115kV and 230kV High Voltage SF6 Circuit Breaker(s) - Rebid

Bid Due Date: September 4, 2024 at 2:00 PM

Bid Opening Date: September 5, 2024 at 2:00 PM

Each Bid submitted shall constitute an offer to the District and shall be irrevocable for a period of 90 days following Bid opening. Contract Award, if any, shall be made within 90 days from the date of Bid opening.

2. COMPLIANCE WITH BID DOCUMENTS/BIDDER'S EXCEPTIONS

Bids shall be submitted on the Bid Form (see Exhibit "A") provided with the Contract Documents. All Bid proposals must be quoted in U.S. dollars. Any submittals or data which may be required by the Contract Documents to support a Bid shall be attached to the Bid Form. The Bid Form must be properly executed and all blanks must be filled in. All Bids shall be submitted in strict compliance with the Contract Documents, Technical Specifications, and commercial requirements contained herein. Bids which do not comply with these specifications and requirements or which contain or are conditioned upon different terms provided by the Bidder may be rejected. Any Bid which attempts to disclaim liability for the Bidder's negligence or to disclaim liability for damage, which arises from Bidder's acts, to person or property, may be deemed a non-responsive Bid.

Bidder shall specifically identify by paragraph and page number and describe in detail in its Bid proposal each variation or departure from the Contract Document. If, in the District's opinion, the Bid proposal contains material variations in or departures from the commercial terms or functional design requirements, it may be rejected as being non-responsive.

3. DISCREPANCIES OR OMISSIONS IN CONTRACT DOCUMENTS

If a Bidder finds discrepancies in or omissions from the District's requirements, or if Bidder is in doubt as to the meaning of any provision in the Contract Documents, Bidder shall, at once, notify the District's Procurement Officer. If appropriate, a notice of addendum shall be posted to the District's ProcureWare site, mailed, e-mailed, or otherwise delivered to each person obtaining a set of Contract Documents. Each person requesting an interpretation shall be responsible for the delivery of their request to the District. The District shall not be bound by, nor responsible for, any other explanations or interpretations of the proposed documents other than those given in writing as set forth in this paragraph. Oral instructions, interpretations or representations shall not be binding upon the District.

4. DISTRICT'S RIGHT TO MODIFY CONTRACT DOCUMENTS

The District reserves the right to revise the Contract Documents by addendum prior to the date set for receiving Bids. The Bidder shall acknowledge the receipt of each addendum on the Bid Form to substantiate that its Bid is in accordance with the revised Contract Documents.

5. BIDDER'S WITHDRAWAL OR MODIFICATION OF BID

The Bidder may, without prejudice to itself, withdraw, modify or correct a proposal after it has been deposited with the District; provided such withdrawal, modification, or correction is filed with the District in writing, before the time set for receiving Bids. The original Bid, as modified, will be considered as the proposal submitted by the Bidder.

6. BID DELIVERY RESPONSIBILITY

It shall be the Bidder's responsibility to deliver the original copy of its properly executed Bid and Bid documents prior to the time for Bid receipt stated above. Bids will only be accepted via United Parcel Service, Federal Express, Bidder walk-in, or other carrier or courier service to the address referenced in Section 1 above; no Bids sent by United States Postal Service will be allowed. The District shall not accept or consider Bids transmitted by any electronic method. No Bid shall be considered which is received after the time stated above and shall be returned unopened. It shall be the sole responsibility of the Bidder to ensure that Bids are delivered at the Bid due date and

time established in Section 1 above or by addendum. It shall also be the sole responsibility of the Bidder to ensure that Bids are properly addressed and labeled in accordance with Section 1 above.

7. BID EVALUATION

For the purposes of evaluating Bids, the District will consider a number of factors and will not evaluate based on cost alone. The District may let the Contract to the lowest responsible Bidder or Bidders based upon the plans and specifications, price and any other factors considered. Consideration will be given to the following:

- A. Bid Unit Price for each Bid Item. The District will evaluate Bids on the basis of each Bid Item, prior to any evaluation adders or credits. Separate Contracts may be awarded for each or any combination of Bid Items.
- B. Total Base Bid Price will be used in the Bid Evaluation plus at the District's option, any selected Additive Bid Item(s) shown on the Bid Form. Any Additive Bid Item(s) selected will be included in the Contract Award.
- C. Bidder's Data (See Instruction No. 8 which follows).
- D. Bidder's compliance with the requirements of Section SR-2. **Bids that take exception to these requirements MAY be rejected.** Bidders that take exception shall provide written explanation of exceptions taken and proposed remedies. Exceptions taken with no accompanying explanations may be grounds for rejection.
- E. For Bid Evaluation purposes only, the District shall add \$2,985.00 to the Bid Unit Price of each respective Bid Item for any Bid which provides for delivery of the high voltage circuit breakers that require the District to field assemble any of the component parts.
 - 1. Leg assemblies that are constructed of multiples portions are exempt from this evaluation adder if the amount of District required assembly is limited to minor extension and assembly of the lowest portion of legs and any associated bracing.
 - 2. Information describing required filed assembly must be provided as part of the Bidder's Data listed in Section 8.D.
- F. Quality Assurance
 - 1. Manufacturer: The high voltage circuit breaker manufacturer shall be certified by an accredited third party in accordance with Technical Specifications, Section 1.02.8.
 - 2. District: The District shall evaluate the manufacturer's quality assurance program. Additional evaluations may be performed during the Bid Evaluation for products and workmanship according to the Referenced Standards requirements listed in the Technical Specifications.
- G. The District has standardized on spring operated mechanisms, for both open and close operations, and does not possess the adequate equipment to perform maintenance on other types of operators. For Bid Evaluation purposes only, the District shall add \$12,000.00 to the Bid Item Price of each respective Bid Item for any Bid Items which proposes using hydraulically charged operating mechanisms. **Bidders who propose an operating**

mechanism which utilizes a pneumatic design shall be rejected. Refer to Technical Specification, Section 3.14.9.

H. For Bid Evaluation purposes only, the District shall add \$1,000.00 to the Bid Unit Price of Bid Item Nos. 1.A, 2.A, 2.B, 2.C, 2.D and/or 3.A, for each additional week Bidder proposes beyond the durations that are outlined in Section SR-2. Bidder shall identify on the Bid Form the proposed delivery duration for each Bid Item and the quantities of each Bid Item that the Bidder can commit to delivering as outlined in Section SR-2. Only the quantities outlined in Section SR-2 are subject to this Bid adder. For each Bid Item, the difference between the quantities requested in Section SR-2 and the quantities the Bidder commits to meeting the delivery shall be used as the amount subject to the Bid adder.

I. Increased no load mechanical operations:

For Bidders that demonstrate, by providing certified test reports with their Bid, that each type of their proposed breakers are capable of a minimum of 10,000 no load mechanical operations in accordance with the Technical Specifications Section 3.10, the District shall, for Bid Evaluation purposes only, deduct \$12,300.00 from the Bid Unit Price for each respective Bid Item.

J. Maintenance/lubrication intervals. The District will evaluate and give preference to units with longer maintenance/lubrication intervals.

For Bid Evaluation purposes only, The District shall add \$1,990.00 to the Bid Unit Price for each respective Bid Item for each time maintenance/lubrication is required over the 30 year life of the breaker, as listed in Section F of Supplemental Bid Data Sheet I for each Bid Item Nos. 1, 2 and/or 3.

K. Mechanism enclosure:

1. The District will evaluate proposed enclosures, giving preference to dust tight models outlined in Technical Specifications, Section 3.15.2. For Bid Evaluation purposes only, the District shall add \$1,245.00 to the Bid Unit Price for each respective Bid Item for any Bid that proposes using an alternate enclosure as outlined in Technical Specifications, Section 3.15.2A.

2. The District will evaluate proposed enclosures top mounting height as outline in Technical Specifications, Section 3.15.9. For Bid Evaluation purposes only the District shall add \$500.00 to the Bid Unit Price for each respective Bid Item, except for Bid Item No. 4, for each incremental range between zero and six inches above eight feet from the top of the District foundation. (example 8'4"=\$500, 9'0"=\$1,000).

L. Travel Record Curve Results:

For Bid Evaluation purposes only, for Bidders that utilize Doble TDR9100 series breaker test equipment, and subsequently provide the District with respective electronic tests and results in native format, the District shall deduct \$1,000.00 from the Bid Unit Price for each respective Bid Item, except as outlined in Technical Specifications, Section 6.02.5.

M. For Bid Evaluation purposes only, the District shall add to the Total Bid Price, for all Bidders, the estimated expenses for two District personnel to travel to the Bidder's factory

to perform a factory audit. The included expenses are outlined in Instructions to Bidders, Section 15.D.

N. Interrupter Removal:

For Bid Evaluation purposes only, Bidders who propose an interrupter construction that does not require the disassembly of any part of the bushing for interrupter replacement as described in Technical Specifications, Section 3.12.2B, \$4,100.00 shall be deducted from the Bid Unit Price for each respective Bid Item.

O. The District, in evaluating its requirements with regard to its financial obligations and power commitments to its customers, has determined that it must take every step prudent to ensure the prompt delivery of material described in the Bid document. The District has determined that prompt delivery of material can be best assured if Bidders have and will continue to have establishments, which manufacture and service this material upon the North American continent. **Therefore, no Bidders shall be considered unless Bidder, or the manufacturer Bidder is proposing in their Bid, owns and maintains a readily available establishment on the North American continent, which service establishment provides the material as specified in the Bid document.**

P. All elements or factors which will affect the final cost to or benefits to be derived by the District which may include, but not be limited to:

1. The ability, capacity, and experience of the Bidder to perform the Contract or provide the material/equipment required;
2. Whether the Bidder can deliver the required material/equipment within the time specified; and
3. The quality of the Bidder's performance on previous contracts.

8. BIDDER'S DATA

To allow the District to properly evaluate the proposed circuit breaker(s), the Bidder shall submit the following information with their sealed Bid:

- A. All technical data, literature, installation, operation, maintenance, sales brochures, and instructional material relative to the proposed high voltage circuit breakers.
- B. Bidder shall provide documentation of the manufacturer's standard warranty, if applicable, in accordance with Section GC-9. Such information shall be provided on Supplemental Bid Data Sheet VI.
- C. Drawings for each model or type of breaker as described below:
 1. Dimensioned outline of the breaker(s)
 2. Dimensioned outline of the leg assemblies including assembly details, if required
 3. Typical instrument door detail
 4. Dimensioned outline of the proposed bushings
 5. Typical dimensioned nameplate for the breaker(s)

6. Typical dimensioned nameplate for all the current transformers (CT's)
7. Sample breaker schematics both AC and DC
8. Proposed CT schematic diagram
9. Sample wiring diagrams
10. CT secondary excitation curves
11. Dimensioned drawing of the proposed control cabinet, specifically showing the amount of enclosed volume within the cabinet
12. Dimensioned drawing of the proposed vertical take-off terminal, including the method of attachment to the bushing

D. The attached "Supplemental Bid Data Sheets", for each voltage level, shall be completed by the Bidder and included in the proposal.

1. The Supplemental Bid Data Sheets shall comply with the Technical Specifications and will set forth the minimum requirements for the work to be supplied under this Contract which are based on the Contractor's preliminary design.
2. The District neither accepts nor rejects the sufficiency of the design as reflected on these data sheets.
3. It is the responsibility of the Contractor to provide work that both meets the requirements of the Technical Specifications and is appropriate for its intended operation.
4. Should there be a conflict between the Technical Specifications and the Supplemental Bid Data Sheets, it is understood that the requirements of the Technical Specifications take precedence.
5. List of Supplemental Bid Data Sheets:

Supplemental Bid Data Sheet Number	Document Description
I	Bid Item No. 1: 115kV, 2000A High Voltage Circuit Breaker (40 kA Interrupting Rating) Bid Item No. 2: 230kV, 3000A High Voltage Circuit Breaker (40 kA Interrupting Rating) Bid Item No. 3: 230kV, 3000A High Voltage Circuit Breaker (63 kA Interrupting Rating)
II	Bid Item No. 1: Major Components Listing (115kV, 40kA) Bid Item No. 2: Major Components Listing (230kV, 40kA) Bid Item No. 3: Major Components Listing (230kV, 63kA)
III	Bid Item Nos 1, 2 & 3: Sub-Vendor Data Sheet
IV	Bid Item No. 1: Recommended Spare Parts List For 115kV, 2000 A, 40kA Breaker(s) Bid Item No. 2: Recommended Spare Parts List for 230 kV, 3000 A, 40 kA Breaker(s)

Supplemental Bid Data Sheet Number	Document Description
I	Bid Item No. 1: 115kV, 2000A High Voltage Circuit Breaker (40 kA Interrupting Rating) Bid Item No. 2: 230kV, 3000A High Voltage Circuit Breaker (40 kA Interrupting Rating) Bid Item No. 3: 230kV, 3000A High Voltage Circuit Breaker (63 kA Interrupting Rating)
	Bid Item No. 3: Recommended Spare Parts List for 230 kV, 3000 A, 63 kA Breaker(s)
V	Bid Item No. 1: 115 kV User's List (40 kA Interrupting Rating) Bid Item No. 2: 230 kV User's List (40 kA Interrupting Rating) Bid Item No. 3: 230 kV User's List (63 kA Interrupting Rating)
VI	Description of Warranty
VII	Listing of Clarifications
VIII	Description of the Field Assembly Requirements

- E. If a Bidder identifies contact time, travel speed transducers as acceptable for use on the proposed breaker, then the Bidder shall identify acceptable/compatible devices on the appropriate lines in the Supplemental Bid Data Sheets.
- F. If a Bidder has proposed equipment/material from a supplier not located upon the North American Continent, then the Bidder shall include, with the Bid submittals, all documentation necessary to allow the District to determine compliance with Section SR-6.
- G. Certified test reports showing the maximum number of no load mechanical operations per breaker type shall be supplied with the Bid proposal. Bidders that wish to take advantage of the evaluation credit, described in Instructions to Bidders, Section 7.I, must include these certified tests showing a minimum of 10,000 no load mechanical operations.
- H. Bidders shall supply certified test data as follows:
 - 1. Design and Conformance tests as specified in ANSI C37.09 and Technical Specifications, Section 6.02.
 - (a) Short-Circuit Performance Data Form (Table 3 of ANSI C37.09) completed for each breaker type which shall be supplied.
 - (b) Copies of all of the Design tests specified in Section 4 of ANSI C37.09 for the general design of each breaker type which shall be supplied.
 - (c) Copies of all of the Production tests specified in Section 5 of ANSI C37.09 for the general design of each breaker type which shall be supplied.
 - (d) Copies of all of the Conformance tests specified in Section 6 of ANSI C37.09 for the general design of each breaker type which shall be supplied.
 - 2. Test reports or calculations showing compliance with the seismic requirements listed in Technical Specifications, Section 1.05.10. If actual test reports are available, then they shall be included with the Bid documents.

3. Quality assurance compliance certificates meeting the requirements of Technical Specifications, Section 1.02.8.
4. Color photographs of the proposed breakers showing each of the following views:
 - (a) Each of the four exterior side views
 - (b) A top view, looking down at the breaker
 - (c) A view of each side of the mechanism enclosure with the doors in the open position
 - (d) One view of each side of the interior walls of the mechanism enclosure
 - (e) Details of each supporting leg
 - (f) Front view of any swing panels
 - (g) Rear view of any panels
 - (h) Close up of the hardware, that secures the swing panel, so that it can be verified that this hardware is indeed captive
 - (i) Details of the operating mechanism

9. BID BOND

Each Bid shall be accompanied by a certified or cashier's check payable to the order of Public Utility District No. 2 of Grant County, Washington for a sum not less than 5% of the amount of the Total Base Bid Price, or accompanied by a Bid Bond on the form provided as Exhibit "B", in an amount not less than 5% of the Total Base Bid Price with a corporate surety licensed to do business in the State of Washington, conditioned that the Bidder shall pay the District as liquidated damages the amount specified in the bond, unless Bidder enters into a Contract in accordance with their Bid and furnishes the Payment and Performance Bond hereinafter mentioned within 10 days from Contract Award. If a Bid is rejected, or if a Bid is accepted and a Contract Form executed, any check shall be returned in each instance within a period of 10 days to the Bidder furnishing the same. If the Bid is one of the three low Bids, such check or bond shall be held by the District until Contract Documents are fully executed by the District and successful Bidder and the Payment and Performance Bond provided per Section 13. If a Bid Bond was provided, 30 days following this period, the original Bid Bond shall be destroyed unless the Surety or Contractor requests the return of the bond, in writing, prior to destruction. The Bidder's failure to submit its Bid Bond on the form attached to the Contract Documents may result in rejection of the Bid.

10. WAIVE MINOR ERRORS

The District reserves the right to waive minor errors or irregularities in any Bid if it appears to the District that such errors or irregularities in any Bid were made through inadvertence and are not material. Any errors or irregularities so waived must be corrected on the Bid on which they occur prior to the execution of any Contract Form which may be awarded thereon. No Bidder may withdraw their Bid after the hour set for the opening thereof, unless and until Contract Award has been delayed for a period exceeding 90 days after the date of Bid opening.

11. DISTRICT'S RIGHT TO REJECT BIDS

The District reserves the right to reject any and all Bids or to accept the Bid which in its sole and absolute judgment will under all circumstances best serve the interest of the District.

12. REFUSAL TO EXECUTE CONTRACT

Should the successful Bidder fail or refuse to execute a Contract Form and furnish a Payment and Performance Bond within 10 days following receipt of notification of Contract Award, the Bidder shall be considered to have abandoned the Bid and the check or Bid Bond in the amount of not less than 5% of the Bid delivered with the Bid shall thereupon be due and owing to the District as liquidated damages for such failure or refusal, and the District may thereupon award the Contract to any other Bidder.

13. PAYMENT AND PERFORMANCE BOND

To assure compliance with the terms of the Contract, and should the District choose to proceed with an award of Contract following evaluation of Bids, the successful Bidder must furnish Payment and Performance Bond(s) meeting the following applicable criteria:

- A. Within 10 days after Contract Award, Contractor(s) shall furnish a Payment and Performance Bond in an amount equal to 25% of the sum of the Bid Unit Prices for the respective awarded Bid Items in the quantities of four (4) units each of Bid Item No. 1.A, twenty (20) units each of Bid Item No. 2.A, eighteen (18) units each of Bid Item No. 2.B, four (4) units each of Bid Item No. 2.C, fifteen (15) units each of Bid Item No. 2.D and/or two (2) units each of Bid Item No. 3.A, excluding Washington State Sales Tax, with surety or sureties who are acceptable to the District.
- B. Within 10 days after the issuance of Purchase Orders for additional high voltage SF6 circuit breakers purchased pursuant to Section SR-3, if any, Contractor shall furnish a Payment and Performance Bond in an amount equal to 25% of the sum of the Bid Unit Prices for the Bid Items being purchased, excluding Washington State Sales Tax, with surety or sureties who are acceptable to the District.
- C. The Payment and Performance Bond(s) must be on the form provided with these Contract Documents (Exhibit "D").
- D. Each Payment and Performance Bond shall remain in force for a period of 365 days after successful delivery of all units purchased on the respective purchase order. Thirty days following this expiration, the original Payment and Performance Bond shall be destroyed unless the Surety or Contractor requests the return of the bond, in writing, prior to destruction.
- E. The cost of the Payment and Performance Bond(s) shall be included in the Bid Unit Prices.

14. PUBLIC RECORDS ACT

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

15. QUALIFICATION OF BIDDERS

- A. The Bidder, or the manufacturer the Bidder is proposing in their Bid, shall have a minimum of three years' experience in the successful design, manufacture, servicing and maintenance of the type of equipment specified by these Contract Documents prior to

submission of its Bid. Bidder, or the manufacturer the Bidder is proposing in their Bid, shall be a factory franchised new equipment dealer with full parts, service and warranty capacity.

- B. The Bidder's proposed manufacturing facility shall have a minimum of three years' experience in the successful design, manufacture, servicing and maintenance of the type of equipment specified by these Contract Documents prior to submission of its Bid.
- C. The Bidder shall provide a representative user's list as part of its Bidder's Data.
- D. Prior to awarding the Contract to any Bidders that do not comply with the experience requirements specified above in Section 15.B, and all Bidders not in compliance with Technical Specifications, Section 1.06, or at the District's discretion, the District may choose to perform a pre-qualification audit to visit the proposed factory and witness factory fabrication and testing facilities. The estimated expenses associated with this audit shall be added to the Total Bid Price for Bid Evaluation purposes only as stated in Instructions to Bidders Section 7.M. The purpose of this pre-qualification audit is to examine quality systems and processes as specified by the District's quality and purchase requirements (as referenced in the Technical Specifications, Section 1.02).
 - 1. The cost of the pre-qualification audit, taken at the District's expense, shall include round trip airfare, hotel accommodations, meals, incidentals, and ground transportation from Ephrata, Washington (nearest convenient airport) to the factory site and returning back to Ephrata, Washington. The expense reimbursement will follow District and Federal Per Diem guidelines.
 - (a) The pre-qualification audit must be completed prior to any Contract award of the bid.
 - 2. The District will review the manufacturer's facilities and processes for the proposed factory, including incoming material qualifications, material rejection policies, assembly, wiring, testing and packaging. Specific attention will be given to the location of internal inspection points and the approval/rejection process at each point. Quality assurance policies and practices will also be reviewed.
 - 3. After the District completes its inspection, a review will be made and acceptance or rejection will be determined. Undocumented practices, insufficient quality control, and/or inadequate test facilities will be grounds for bid rejection.

16. CONTRACT DOCUMENTS

The Contract Documents consist of the documents listed in the Table of Contents.

The Contract shall bind both the District and the Contractor to all requirements set forth in the components of the Contract Documents stated above.

17. BIDDER QUESTIONS OR CLARIFICATIONS

Bidders are to submit questions or requests for clarification in writing to the District's Procurement Officer. If appropriate, response to Bidder's questions will be posted to the District's ProcureWare

web site. The deadline to submit questions or request for clarification to the District shall be three business days prior to the time and date that Bids are due.

GENERAL CONDITIONS

GC-1. FORM OF CONTRACT

The form of the Contract shall be unit price type.

GC-2. DEFINITIONS

Whenever these words occur in the Contract Documents, they shall have the following meanings:

“ADDITIVE BID ITEM” – The schedule of Additive Bid Items are found on the Bid Form.

“BID” - The written proposal submitted by the Bidder on the Bid Form provided as Exhibit “A” in these Contract Documents.

“BID EVALUATION” - The criteria for determining the lowest responsive Bid received in response to the Contract Documents.

“BID ITEM” - A line item on the Bid Form which is included in these Contract Documents as Exhibit “A”.

“BID ITEM PRICE” - The correctly calculated (extended) price of all units of each Bid Item (Bid Unit Price times Estimated Quantity).

“BID UNIT PRICE” - The price per unit on a specific Bid Item.

“BIDDER” - Any person or entity who submits a Bid.

“CONTRACT AWARD” - Contract Award is defined as the date the successful Bidder is first notified in writing that the District has accepted the Contractor's Bid. Contract Award, if any, shall be made within 90 days after the date of Bid opening.

“CONTRACT DOCUMENTS” - The Contract Documents shall include all sections listed in the Table of Contents.

“CONTRACT PRICE” - The Total Base Bid Price plus any Additive Bid Items included in the Contract Award and any properly approved Change Orders approved subsequent to Contract Award.

“CONTRACTOR” - The successful Bidder who is awarded the Contract to supply the materials or equipment covered by these Contract Documents.

“DISTRICT” OR “OWNER” - Public Utility District No. 2 of Grant County, Washington.

“DISTRICT REPRESENTATIVE” - The employee designated by the District as its representative during the term of this Contract.

“PROMPT PAYMENT DISCOUNT” - As provided for on the Bid Form, Contractor may accept the prompt payment discount of 2% 10 days, which shall mean, if the District issues payment within 10 days, the payment due shall be reduced by 2%. A payment is considered made on the day it is mailed or is sent through electronic or wire transfer.

“SUBCONTRACTOR” - A contractor/supplier hired by the Contractor to supply materials, equipment or services related to these Contract Documents, if any.

“TOTAL BASE BID PRICE” - The properly calculated total of the Bid Items on the Bid Form, not including any Additive Bid Items.

GC-3. SUSPENSION OF CONTRACT OTHER THAN FOR DEFAULT

The District may, at its sole option, by notice in writing to the Contractor suspend or terminate at any time the performance of any portion or this entire Contract. The Contractor shall use its best efforts to minimize costs associated with suspension or termination.

- A. Upon receipt of any such notice, the Contractor shall:
 - 1. Immediately discontinue work as specified in the notice;
 - 2. Place no further orders or subcontracts for material, services, or equipment with respect to suspended or terminated portion of the Contract;
 - 3. Promptly suspend or terminate all orders, subcontracts, and rental agreements to the extent they relate to performance of the portion of the Contract suspended or terminated;
 - 4. Assist District Representative or District in the maintenance, protection, and disposition of work in progress, plant, tools, equipment property, and materials acquired by Contractor or furnished by Contractor under this Contract; and
 - 5. Complete performance of the portion of the Contract which is not terminated.
- B. As full compensation for such suspension the Contractor shall be reimbursed for the following costs, reasonably incurred, without duplication of any item, to the extent that such costs directly result from such suspension of work:
 - 1. A standby charge, as determined to be equitable by the District Representative, to be paid to the Contractor during a period of suspension of work sufficient to compensate the Contractor for keeping, to the extent required in the notice, its organization and equipment committed to the work in a standby status;
 - 2. All reasonable costs, as determined to be equitable by the District Representative, associated with any demobilization and remobilization of the Contractor's plant, forces, and equipment;
 - 3. Any claim on the part of the Contractor for additional time or compensation shall be made within 10 days after receipt, by Contractor, of a notice to suspend work. Failure to submit a claim within the 10 day period shall constitute a waiver of any such claim; and
 - 4. In no event shall the amount to be paid the Contractor pursuant to this section exceed the Contract Price.
- C. Upon receipt of notice to resume suspended work, the Contractor shall immediately resume performance of the suspended portion of the Contract to the extent required in the notice. Any claim on the part of the Contractor for time or compensation shall be made within 10 days after receipt of notice to resume work and the Contractor shall submit a revised project schedule for review.

- D. Upon delivery of a written notice to the Contractor, the District may, without cause and without prejudice to any other right or remedy, elect to terminate the Contract. Upon receipt of any such notice, the Contractor shall take all appropriate steps in part A of this Section GC-3.

Upon any such termination, Contractor shall waive any claims for damages including Contractor's overhead, loss of anticipated profits, and all other inconvenience, expenses, damages, costs and lost profits whatsoever.

If such termination is effected after Contract Award, the District shall pay the reasonable, verifiable and directly attributable costs incurred by the Contractor in the preparation of Bidder's Bid plus 15% of such costs. If Contractor has commenced performance hereunder, the District shall pay the reasonable, verifiable and directly attributable costs incurred by the Contractor as determined by the physical progress of the work satisfactorily completed to date, plus 10% of the sum of all such costs; provided, said payment shall not in any event exceed the Contract Price hereunder. The payment of the District shall constitute full and complete satisfaction and settlement for the Contractor's overhead, anticipated profits, and all other inconvenience, expenses, damages, costs and lost profits whatsoever. The Contractor shall be entitled to no further payments whatsoever for the work.

Contractor shall submit within 30 days after receipt of notice of termination, a request for adjustment to the Contract Price in accordance with the above provisions. District Representative shall review, analyze, and verify such request, and upon District Representative's approval, the Contract shall be amended in writing accordingly.

Those provisions of the Contract that by their nature survive the Contract shall remain in full force and effect after such termination.

GC-4. TERMINATION FOR DEFAULT/NONCOMPLIANCE

- A. Acts of Default

If Contractor fails in any material way to comply with any of the conditions or provisions of the Contract Documents or is unable to pay its debts as they mature or authorizes or takes any action under bankruptcy or reorganization, readjustment of debt, insolvency, liquidation or other similar laws or proceedings it shall be considered an act of default.

- B. Consequences of Default

In the event of default, the District may immediately, without limiting any other remedy available to it in law or equity, withhold any amount otherwise due under the Contract. The District shall provide written notice of default. In the event the default can be cured, and Contractor fails to correct the default within 10 days after written notice of default, the District may terminate the Contractor's right to proceed with all or any portion of the work. The District's right to liquidated damages shall not in any manner limit any other remedy available to the District, including but not limited to, the District's right to terminate the Contractor's right to proceed.

- C. Noncompliance

The Contractor shall, upon receipt of written notice of noncompliance with any provision of this Contract and the action to be taken, immediately correct the conditions to which attention has been directed. Such notice, when served on the Contractor or Contractor's representative, shall be deemed sufficient. If the Contractor fails or refuses to comply promptly, the District Representative may issue an order to suspend all or any part of the work. When satisfactory corrective action is taken, an order to resume work shall be issued. No part of the time lost due to any such suspension order shall entitle the Contractor to any extension of time for the performance of the Contract or to reimbursement for excess costs or damages.

GC-5. ASSIGNMENT

The Contractor shall not assign this Contract or any interest in or part thereof, or any monies due or to become due hereunder, without the prior written approval of the District. Any costs to the District associated with the assignment may be deducted from amounts due to the Contractor.

GC-6. INDEMNITY

- A. Contractor shall defend, indemnify and hold harmless the District and its representatives (which shall be deemed to include the District's directors, officers, employees and agents) from and against any and all liabilities, claims, losses, damages or expenses of any type or kind, including reasonable legal fees, and expert witness fees, which may be incurred or sustained by the District or its representatives by reason of any act, omission, misconduct, negligence, or default on the part of the Contractor or arising in connection with the supplies, material or equipment to be furnished pursuant to these Contract Documents.
- B. Contractor's indemnification obligation shall not apply to liability for damages arising out of bodily injury to persons 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 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.
- C. Contractor acknowledges that by entering into a contract with the District, Contractor has mutually negotiated the above indemnity provisions with the District. Contractor's indemnity and defense obligations shall survive the termination or completion of the Contract and remain in full force and effect until satisfied in full.

GC-7. LAWS, REGULATIONS, PERMITS

The Contractor represents that it is familiar with, and shall be governed by and comply with, all federal, state and local statutes, laws, ordinances, and regulations including amendments and changes as they occur. The Contractor and any Subcontractors shall be responsible for ensuring that its employees fully comply with the District's Code of Ethics, a copy of which is available at the District's offices.

All written instruments, agreements, specifications and other writing of whatsoever nature which relate to or are a part of this Contract 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 Contract 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 Contract, the prevailing party shall be entitled to reasonable legal fees in addition to any other relief allowed.

GC-8. DAMAGES

Any claims arising under the Contract by the Contractor shall be made in writing to the District Representative no later than 10 days after the beginning of the event or occurrence giving rise to the claim. Failure to make written claim prior to the time specified in the Contract Documents shall constitute waiver of any such claim.

GC-9. WARRANTY

The Contractor agrees that all materials and equipment furnished pursuant to the Contract shall be free from all inherent defects in design, workmanship and material and shall give proper and continuous service under all conditions of service required and specified or which may be reasonably inferred from the Contract Documents. The Contractor shall immediately upon receiving notice from the District repair or replace any materials or equipment which, under normal and proper use, prove defective within one year from the date of delivery to the District. The warranty shall guarantee that no SF6 gas leaks (that exceed 0.5% by weight, per year) shall occur during the warranty period. The warranty provided herein is in addition to and not in lieu of manufacturer's standard warranty normally provided.

If at any time prior to the expiration of the warranty period, Contractor or District discovers any defect in such design, materials or workmanship, the Contractor shall, upon written notice from the District given within a reasonable time after discovery, correct such defects to the satisfaction of the District by redesigning, repairing or replacing the defective work at a time acceptable to District. All costs incidental to such corrective action including but not limited to removal, disassembly, reinstallation, reconstruction, re-testing and re-inspection as may be necessary to correct the defect or demonstrate that the previously defective work conforms to the requirements of the Contract shall be borne by the Contractor.

Contractor shall not be liable to the District either in contract or in tort (including negligence or strict liability) for consequential damages consisting of the District's loss of profits, its loss of revenue or its cost of replacement power.

The warranty requirements in this section are the minimum requirements for materials or equipment under this Contract. Any other warranty requirements specified in the Contract, including the Technical Specifications, are in addition to, and not in lieu of the minimum requirements specified herein.

GC-10. CHANGES IN WORK

Without invalidating the Contract, the District may make changes by altering, adding or deducting from the work, and/or make changes in the Contract Drawings and Technical Specifications requiring changes in the work and/or materials and equipment to be furnished under this Contract; provided such additions, deductions or changes are within the general scope of the Contract. 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 one or more, or a combination of the following methods, at the District's option:

- A. Unit prices specified in the Bid Form.
- B. An agreed lump sum. When requested, Contractor shall provide a detailed proposal for evaluation by the District, including, as applicable:
 - 1. Detailed proposed labor categories, hours, and rates.
 - 2. Specific materials and quantities.
 - 3. Equipment and equipment hours.
 - 4. Administrative cost and profit.
- C. The actual cost related to the change of:
 - 1. Labor, including foreman, only for employees who will work directly on the work covered by the Change Order.
 - 2. Materials entering permanently into the work.
 - 3. The ownership or rental cost of plant and equipment during the time of use on the project.
 - 4. Power and consumable supplies for the operation of power equipment.
 - 5. Insurance.
 - 6. Social Security and old age and unemployment contributions.
 - 7. To the sum of Items 1, 2, 4, 5, and 6 inclusive, there shall be added a fixed fee of 15%. The fee shall be compensation to cover the cost of supervision, overhead, bond, profit and any other general expenses.

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. The District shall not be liable for any payment to Contractor, or claims arising therefrom, for Change Order work which is not first authorized in writing as set forth in this section. 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 Exhibit "E" 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.

The District Representative may instruct the Contractor to make minor changes in the work where such changes are not inconsistent with the purposes of the Contract, do not involve any additional cost and shall not require an extension of the Contract completion date. The Contractor shall make no such changes without receipt of a District Instruction, Exhibit "F", setting forth the changes to be made. Contractor's compliance therewith shall constitute its acknowledgment that such changes

shall not result in any claim for additional payment or extension of the Contract completion date. District Instructions, when issued, shall be in writing and signed by the District Representative.

If the Contractor believes the instruction shall result in additional costs or time extensions, Contractor shall promptly notify the District of the same and not proceed with the changes.

No waiver of any provision of the Contract, and no consent to departure there from, by either party, shall be effective unless in writing and signed by the waiving or consenting party, and no such waiver or consent shall extend beyond the particular case and purpose involved.

If Contractor believes that any requirement, direction, instruction, interpretation, determination, or decision of the District described in a Change Order entitles Contractor to an adjustment in the Contract Price or time for performance and Contractor refuses to execute the Change Order, then Contractor shall submit a claim as provided in Section GC-8 of this Contract. Notwithstanding the submission of any such claim, Contractor shall proceed without delay to perform the work described in the Change Order.

GC-11. PAYMENT

The Contractor may submit an invoice for payment following delivery of the specified equipment/material, which conforms to the Contract Documents. The invoice shall contain detailed information identifying the number of units of each Bid Item actually furnished multiplied by the applicable Bid Unit Price. The invoice shall be submitted for District verification and approval. Payment will be made to the Contractor within 30 days after the District has inspected the equipment/material and has determined that it is in conformance with the Contract Documents. Contractor understands and agrees that by executing this Contract with the District, the District shall make payment(s) by automated clearing house (ACH). If accepted by the Contractor on the Bid Form and the District issues payment within 10 days, the payment due shall be reduced by 2%.

Invoices shall include the Contract number 170-11844R and be addressed as follows:

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

Phone: (509) 793-1450
E-mail: AccountsPayable@gcpud.org

GC-12. PAYMENTS WITHHELD

The District may withhold the whole or part of any certificate for payment to such extent as may be reasonably necessary to protect itself from loss on account of:

- A. Defective or damaged work not remedied or warranties not met.
- B. Claims filed or reasonable evidence indicating filing of claims against the Contractor.
- C. Failure of the Contractor to make payments properly to Subcontractors or for materials, labor, or equipment.

- D. A reasonable doubt that the Contract can be completed for the balance then unpaid.
- E. Damage to or loss of District-furnished materials or District property.
- F. Contractor's failure to meet any performance warranties required by the Contract Documents.

The Contractor shall provide a contact name, address, and email address to facilitate notification if any payment, or portion of any payment, is withheld for any of the reasons above, or for missing documentation or items incorrectly invoiced. Notification shall be made via email, or shall be mailed, properly addressed and stamped with the required postage to the person designated by the Contractor.

GC-13. INSPECTION

The District Representative, assistants and inspectors shall have access to all places where materials are being manufactured or prepared for use under these Contract Documents and they shall have full access to facilities for unrestricted inspection during working hours of such materials, equipment and work. The District Representative, assistants and inspectors shall be authorized to record their observations in any manner reasonable, including but not limited to recording by photographs.

The District Representative shall be kept informed of the production schedules so that inspections may be adequately performed. The Contractor shall give timely notice of any changes to the production schedule requiring inspection. Examination of questioned work may be ordered by the District Representative, and, if so ordered, the work must be uncovered or made accessible by the Contractor. If such work is found to be in accordance with the Contract Documents, the District shall pay the costs of examination and restoration. If such work is found not to be in accordance with the Contract Documents, the Contractor shall bear such cost and expedite such necessary corrections.

GC-14. CONFLICT AND PRECEDENCE/INTENT

- A. In the event there are any conflicting provisions or requirements in the component parts of the Contract, the several Contract Documents shall take precedence in the following order:
 - 1. Change Orders
 - 2. Contract Form
 - 3. Addenda
 - 4. Specific Requirements
 - 5. General Conditions
 - 6. Technical Specifications
 - 7. Contract Drawings
 - 8. Instructions to Bidders
 - 9. Payment and Performance Bond
 - 10. Bid Proposal

- B. The intent of the Contract Documents is to prescribe a complete work. Contractor shall furnish all labor, tools, equipment, transportation, supplies and incidentals required to provide the materials or equipment to be supplied under this Contract. The Contract Price shall be full pay for all materials or equipment required to be provided under this Contract.

GC-15. RIGHT TO OPERATE UNSATISFACTORY EQUIPMENT

The District shall have the right to operate all equipment as soon and as long as it is in operating condition, whether or not such equipment has been accepted as complete and satisfactory, except that this shall not be construed to permit operating of any equipment which may be materially damaged by such operation before any required alterations or repairs have been made. All repairs or alterations required of the Contractor shall be made by the Contractor at such times as directed and in such manner as will cause the minimum interruption in the use of the equipment by the District.

GC-16. 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.

GC-17. NON-WAIVER

No waiver of any provision of this Contract, or any rights or obligations of either party under this Contract, 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 Contract or the waiver of either party of any breach under this Contract 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.

GC-18. DISTRICT REPRESENTATIVE'S STATUS, AUTHORITY AND PROTEST PROCEDURE

The District Representative shall represent the District. The District Representative has authority to stop the work whenever such stoppage may be necessary to ensure the proper execution of the Contract. The District Representative shall also have authority to reject all work, equipment, and materials which do not conform to the Contract and to decide questions which arise in the execution of the work.

Approval by the District Representative signifies favorable opinion and qualified consent. It does not carry with it certification, assurance of completeness, assurance of quality, nor assurance of accuracy concerning details, dimensions, and quantities. It is not an acceptance by the District or certification that Contractor has performed the Contract work correctly or according to Contract Documents. Such approval shall not relieve the Contractor from responsibility for errors or for deficiencies within its control.

All claims of the Contractor and all questions relating to the interpretation of the Contract, including all questions as to the acceptable fulfillment of the Contract on the part of the Contractor and all questions as to compensation, shall be submitted in writing to the District Representative for determination within the applicable time period specified in the Contract Documents.

All such determination and other instructions of the District Representative shall be final unless the Contractor shall file with the District Representative a written protest, stating clearly and in detail the basis thereof, within 10 days after the District Representative notifies the Contractor of such determination or instruction. The protest shall be forwarded by the District Representative to the District's General Manager, who shall issue a decision upon each such protest, and its decision shall be final. Pending such decision, the Contractor, if required by the District Representative, shall proceed with the work in accordance with the determination or instructions of the District Representative.

The District Representative may appoint assistants and inspectors to assist in determining that the work performed and materials furnished comply with Contract requirements. Such assistants and inspectors shall have authority to reject defective material and suspend any work that is being done improperly, subject to the final decisions of the District Representative, or to exercise such additional authority as may be delegated to them by the District Representative. All work done and all materials furnished shall be subject to inspections by the District Representative or inspector at all times during the work.

The District Representative and contact information for this Contract is listed below.

Dan Niehenke
Public Utility District No. 2
of Grant County, Washington
PO Box 878
Ephrata, WA 98823
(509) 754-5076
Dniehenke@gcpud.org

GC-19. ACTIVITIES ON DISTRICT PREMISES

If Contractor or any of its Subcontractors or suppliers of any tier performs any activities on premises owned, leased, possessed or controlled by the District, Contractor shall:

- A. Take all precautions which are necessary to prevent injury to persons and damage to any property or the environment in connection with such activities;
- B. Release, defend, indemnify and hold harmless the District and its officers, agents, and employees from all claims, losses, harm, liabilities, damages, costs and expenses, including but not limited to reasonable attorney's fees that may arise in connection with such activities; and
- C. Maintain in effect at all times during performance of such activities Commercial General Liability insurance (including blanket contractual) with limits not less than \$1,000,000 per occurrence; automobile liability for all vehicles used under the contract for bodily injury, and property damage with limits not less than \$1,000,000 per accident; statutory workers' compensation; and employer's liability with limits not less than \$1,000,000. Without limiting the generality of the foregoing, Contractor assumes potential liability for acts brought by Contractor's employees, Subcontractors, or suppliers of any tier.
- D. Upon request, the Contractor shall promptly furnish to District such certificates of insurance and other evidence of the insurance required under this section naming the District as Additional Insured. The District shall have the right but not the obligation of prohibiting the Contractor or its Subcontractors from entering District premises until such certificates have been provided as evidence of compliance with these requirements.

SPECIFIC REQUIREMENTS

SR-1. SCOPE OF SUPPLY

The Contractor shall supply 115kV and 230kV high voltage SF6 circuit breaker(s) manufactured in accordance with these Contract Documents. The awarded Contractor(s) shall supply four (4) units each of Bid Item No. 1.A, twenty (20) units each of Bid Item No. 2.A, eighteen (18) units each of Bid Item No. 2.B, four (4) units each of Bid Item No. 2.C, fifteen (15) units each of Bid Item No. 2.D and two (2) units each of Bid Item No. 3.A, which shall be delivered as detailed in Section SR-2.

The District is only committing to purchase the unit quantities described in the paragraph above. The District shall have the unilateral right and option to purchase additional units as defined in Section SR-3.

The District, as it deems necessary for its requirements, shall have the option to award any or none of the Additive Bid Items shown on the Bid Form.

The District, as it deems necessary for its requirements, shall have the option to award multiple contracts to fulfill the quantities requested as defined in Instructions to Bidders Section 7.A.

SR-2. DELIVERY/LIQUIDATED DAMAGES

The Contractor shall not commence any work under this Contract until after all of the following: (1) receipt of notification of Contract Award; (2) full execution of the Contract Form; (3) providing the required Payment and Performance Bond; (4) receipt of the District issued purchase order(s); and (5) providing the required insurance certificates. The District anticipates issuing order(s) with the commitments detailed in Section SR-1, paragraph two by December 19, 2024.

Contractor shall deliver the four (4) units of Bid Item No. 1.A no later than 150 weeks following receipt of the District's purchase order, or an alternate date as agreed to in advance by both parties prior to issuance of purchase order.

Contractor shall deliver the twenty (20) units of Bid Item No. 2.A no later than 80 weeks following receipt of the District's purchase order, or an alternate date as agreed to in advance by both parties prior to issuance of purchase order.

Contractor shall deliver the eighteen (18) units of Bid Item No. 2.B no later than 90 weeks following receipt of the District's purchase order, or an alternate date as agreed to in advance by both parties prior to issuance of purchase order.

Contractor shall deliver the four (4) units of Bid Item No. 2.C no later than 104 weeks following receipt of the District's purchase order, or an alternate date as agreed to in advance by both parties prior to issuance of purchase order.

Contractor shall deliver the fifteen (15) units of Bid Item No. 2.D no later than 158 weeks following receipt of the District's purchase order, or an alternate date as agreed to in advance by both parties prior to issuance of purchase order.

Contractor shall deliver the two (2) units of Bid Item No. 3.A no later than 158 weeks following receipt of the District's purchase order, or an alternate date as agreed to in advance by both parties prior to issuance of purchase order.

Unless otherwise specified on the Purchase Order, delivery shall be F.O.B. the District's Moses Lake Warehouse. This shall mean that the Contractor will pay the cost of transportation to have the 115kV and/or 230kV high voltage SF6 circuit breaker(s) delivered "Free On Board" to the District's Warehouse located at 10216 Kinder Rd. NE, Moses Lake, Washington 98837. It also shall mean that the title and risk of loss do not pass until the 115kV and/or 230kV high voltage SF6 circuit breaker(s) have been inspected and moved from the conveyance.

The Contractor shall deliver all materials/equipment by the delivery date specified in its Bid. Failure to do so may result in damage to the District. It is agreed that the Contractor shall pay to the District as liquidated damages and not as a penalty, a sum equal to \$250.00 for each day the delivery of any unit of any Bid Item is delayed beyond the delivery date quoted with the Bid. Such amount shall be deducted from any money due the Contractor. In no event shall the amount of liquidated damages for late delivery of all quantities of any Bid Item exceed 10% of the Bid Item Price.

The liquidated damages have been specifically negotiated by and between the Contractor and District because of the impracticability and extreme difficulty of fixing and ascertaining the actual damages the District would in such event sustain, and said amount has been determined to be a reasonable estimate of the amount of damages which the District would sustain in the event of late delivery of the materials/equipment.

If the Contractor's performance of this Contract is prevented or delayed by any cause which is beyond the reasonable control and without the fault or negligence of the Contractor, and which condition was not foreseeable by the Contractor at the time this Contract was entered into, the Contract time shall be extended for such reasonable time as the District Representative shall determine. The Contractor agrees to complete performance within the Contract time as thus extended. Such extensions shall postpone the beginning of period for payment of liquidated damages but they and the events producing them shall not be grounds for claim by the Contractor of damages or for additional costs, expenses, overhead or profit or other compensation. Except for delays caused by the acts or omissions of the District or persons acting for it, extensions of time granted by the District Representative to the Contractor shall be the Contractor's sole and exclusive remedy for any delays due to causes beyond the control of the Contractor.

All claims for extension of time shall be made in writing to the District no more than three days after the Contractor knows or by reasonable diligence should know of the event causing or likely to cause the delay; otherwise, they shall be waived. In the case of a continuing cause of delay only one claim is necessary. Contractor's failure to give such notice promptly and within such time limit shall be deemed sufficient reason by the District Representative for denial of any time extension request.

Avoidable delays in the performance of this Contract, for which no time extension shall be granted, shall include all delays which in the opinion of the District Representative could have been avoided by the exercise of care, prudence, foresight and diligence on the part of the Contractor or his Subcontractors.

If it is determined that a change is required for the delivery date(s) indicated on the Purchase Order, a revised Purchase Order may be issued. The District and Contractor shall first agree to a revised

delivery date, after which a revised Purchase Order shall be issued reflecting the new delivery date. All other changes shall be made by Change Orders to the Contract pursuant to Section GC-10.

SR-3. DISTRICT'S RIGHT AND OPTION TO PURCHASE ADDITIONAL 115KV AND 230KV HIGH VOLTAGE SF6 CIRCUIT BREAKERS

- A. The District, as it deems necessary for its requirements, shall have the unilateral right and option to purchase, and the Contractor shall be required to furnish and deliver, up to an additional sixteen (16) units each of Additive Bid Item No. 1, forty-three (43) units each of Additive Bid Item No. 2 and eight (8) units each of Additive Bid Item No. 3 high voltage SF6 circuit breakers of the type listed on the Bid Form. Such purchase shall be subject to the terms and conditions contained in these Contract Documents. The District may exercise its option to make such purchase at any time prior to December 31, 2029, by issuing a purchase order.
- B. With respect to the 115kV and/or and 230kV high voltage SF6 circuit breakers which the District may elect to purchase pursuant to Section SR-3.A, the pricing shall be at the Bid Unit Price specified on the Bid Form and adjusted according to the provisions of Section SR-9. The Contractor shall make delivery of such 115kV and/or and 230kV high voltage SF6 circuit breakers, F.O.B. the District's specified delivery location in Grant County, Washington, within 104 weeks, or an alternate date as agreed to in advance by both parties, following the District's issuance of a purchase order for the purchase of the additional 115kV and/or and 230kV high voltage SF6 circuit breakers.
- C. Contractor understands and agrees that the District is making a commitment to purchase only the units described in Section SR-1, but that the District shall have the unilateral right and option to purchase the additional high voltage SF6 circuit breakers as specified in Section SR-3.A, and shall have no obligation of any type to make such additional purchase.
- D. If stated on the District issued purchase order, liquidated damages per Section SR-2 of this Contract shall apply should Contractor fail to meet the delivery schedule as specified in Section SR-3.B for any additional units ordered by the District. All Contract terms and conditions shall be applicable to any additional units ordered by the District pursuant to this section.

SR-4. SHIPPING AND NOTIFICATION INSTRUCTIONS

- A. All materials and equipment shall be suitably packed and rigidly braced to ensure against damage from weather or transportation and in accordance with the requirements of common carriers.
- B. Swing panels inside the mechanism/control enclosure shall be supplied with a support block, which is securely attached to the floor of the enclosure, to prevent excessive weight from being transferred to the hinges during shipping.
- C. All bushings shall be completely covered with protective padded covers that have a minimum thickness of half of one inch. The padded covers shall be secured to prevent loosening during transit.

1. Foam, bubble wrap, or plastic wrap that is attached to the bushings, tightly enough to prevent any loosening during shipping may be accepted pending written approval from the District.
 2. All bushings shall be protected from any adhesive used to secure the bushing wraps.
- D. The District prefers that the entire breaker be tightly wrapped in heat shrink plastic wrap with a minimum thickness of six mils. All loose ends shall be heat sealed to prevent loosening during transit.
- E. All door handles shall be temporarily secured with bolts, thread lock and lock washers prior to wrapping to prevent opening during shipping.
- F. All door hinges shall be supplied with retaining clips, or other approved devices, to prevent the hinge pins from becoming loose during shipping.
- G. No loose objects shall be shipped within the mechanism/control enclosure.
- H. Any penetrations in the control enclosure, including cable entrance(s), shall be firmly secured and prevented from opening during transit to preclude the ingress of foreign debris.
- I. The delivery address, Contract number and purchase order number shall be clearly marked on the outside of all packaging.
- J. Each shipment must be accompanied by a packing list, which shall reference the Contract number, the purchase order number and include item descriptions, part numbers, and quantities.
- K. Any bills of lading, shipping order or the like shall also contain the above listed information.
- L. All manuals, instruction sheets, and documents that will be delivered with the breakers shall be packaged in re-sealable, weather resistant, plastic bags, which possess a minimum thickness of three mils.
- M. All mechanical parts shall be pre-adjusted, tested and timed prior to shipping.
- N. Any deviations from or modifications to the instructions in Section SR-4 shall be communicated in advance, and shall be subject to the approval and acceptance of the District Representative.

Advance notification of shipment of the equipment/material is required. Contractor shall notify the District as specified in Section SR-5.

District receiving hours are Monday through Thursday, 6:30 a.m. – 12:00 p.m. and 12: 30 p.m. – 3:30 p.m. No deliveries will be received on District observed holidays or during any other times unless specific prior arrangements have been made with the District's Warehouse Foreman. District observed holidays are as follows: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day. If a holiday falls on Saturday, it will be observed on the previous Friday. If a holiday falls on a Sunday, it will be observed on the following Monday.

SR-5. NOTIFICATION OF SHIPMENT

Advance notification of shipment of the equipment/material is required. Three business days prior to shipment **AND** prior to delivery of the shipment, Contractor shall notify each of the following people:

Name	Phone Number	E-Mail
Gus Mihelich Ephrata Warehouse Foreman	(509) 754-5088 Ext. 2268	EPH-TDWarehouse@gcpud.org
Gary Carpenter Moses Lake Warehouse Foreman	(509) 754-5088 Ext. 3213	ML-TDWarehouse@gcpud.org
Daniel Niehenke District Representative	(509) 754-5076	dniehenke@gcpud.org
Angel Barahona-Sanchez Engineering Manager	(509) 754-5081	abaraho@gcpud.org

Notifications shall include method of transport, contact information for transport company(ies), and reminder of equipment required to offload breakers (i.e. crane, fork truck, etc). The Contractor shall also notify any additional contacts included on a purchase order. Specifically notifying the District of equipment required to offload the breakers from the conveyance is imperative to ensure properly trained District or contracted staff are available to safely and effectively receive the breakers.

Failure by the Contractor to provide the advance notification specified herein may result in delays in unloading and receipt. The costs of any and all such delays shall be the responsibility of the Contractor and not the District.

SR-6. CODES AND STANDARDS

Design and manufacture of the specified 115kV and 230kV high voltage SF6 circuit breaker(s) shall be in accordance with applicable sections of the latest revision of the codes and standards denoted in the Technical Specifications.

SR-7. CONTRACTOR’S DRAWINGS, DATA, INSTRUCTIONS AND SUBMITTALS

A. Outline and Approval Drawings

1. The Contractor shall submit outline drawings of the equipment to be initially furnished under this Contract, together with weight, anchoring details, and sufficient overall dimensions, to facilitate preparation of final designs of the structures into which the equipment is to be incorporated, within 30 days following notification of Contract Award. All remaining drawings shall be sent within 60 days following notification of Contract Award, or a mutually agreed upon alternate duration.
2. Approval drawings for additional units shall be provided under the above time constraints, but these limits shall be based on the date that the Purchase Order was submitted to the Contractor.
3. All such drawings, test data and written instructions shall be in the English language, and all dimensions shall be in U.S. standard units (feet, inches, pounds, gallons, etc.).

- B. Drawing approval is required prior to construction of the 115kV and 230kV high voltage SF6 circuit breaker(s). For each circuit breaker type, the Contractor shall submit electronic copies of the following drawings and data to the District for its approval, in accordance with the schedule described above in Section SR-7.A:
1. Nameplate drawings for the breaker
 2. Nameplate drawings for the CTs
 3. Dimensioned outline of the breaker
 4. Dimensioned instrument door detail drawing
 5. Connection diagram
 6. General arrangement
 7. Control wiring diagram
 8. Control schematic diagram with notes and containing the following:
 - a. AC schematic
 - b. DC schematic
 - c. Control Switch deck contacts
 - d. Local/Remote switch deck contacts
 - e. Spare "a" and "b" contacts
 - f. Connections to Control Switch (trip coil & close coil)
 - g. Connections to the Control Switch
 - h. Remote close signal terminals for customer
 - i. Remote trip signal terminals for customer
 - j. Legend
 - k. Notes
 - l. Description of the operation of breaker with a spring operating mechanism (if equipped) shall include:
 - i. A statement on closure of the breaker and condition of springs
 - ii. A statement on the condition of the limit switches and picking up of the motor relays and the energizing of the charging motor
 - iii. A statement on the stopping of the charging motor
 - iv. A statement on the operation of the breaker closing solenoid and the unlatching of the closing springs, closing the breaker and charging the opening springs
 - v. A statement on the operation of the auxiliary breaker contacts
 - vi. A statement on the discharging of the closing springs and the operation of the way that the limit switches seal in the anti-pump relay and the closing of the breaker closing solenoid
 - vii. A statement on the operation of the tripping signal and the condition of the breaker trip solenoid
 9. CT secondary excitation curves
 10. CT schematic diagram
 11. Equipment mounting and spacing requirements

12. Dimensioned outline drawing of the bushings and terminals
 13. Related equipment drawings
- C. Upon completion of the work and delivery and inspection of each 115kV and 230kV high voltage SF6 circuit breaker(s) under the Contract, and prior to payment, the Contractor shall furnish to the District:
1. Maintenance Manuals
 - a. Contractor shall supply the District one Breaker Maintenance Manual, hard copy, for each circuit breaker. Each complete and bound Breaker Maintenance Manual containing required documentation in Section SR-7.C.2 shall be shipped in the storage compartment within the breaker. Each bound set shall be in a three-ring loose-leaf style binder with hard covers and a maximum width of two and one-half inches (2.5”).
 - b. Contractor shall supply the District one Master Maintenance Manual, in both hard copy and electronic .pdf format, for each order of circuit breakers, containing all pertinent data for each respective circuit breaker.
 - i. Certified Test reports for ALL circuit breakers in an order shall be included in the Master Maintenance Manual, in addition to the information required for a Breaker Maintenance Manual.
 - ii. The cover shall show all circuit breaker serial numbers associated with an order.
 2. Content of Maintenance Manuals
 - a. On the cover of the manual, the following information shall be clearly displayed:
 - i. The District’s name
 - ii. The Contract number
 - iii. Maintenance Manual Type (Breaker or Master)
 - iv. Manufacturer’s name and general customer contact information
 - v. A description of the breaker including continuous amp and voltage rating
 - vi. Serial number(s)
 - b. Each manual or book shall have an index listing of all leaflets, etc., in the same order as they appear in the manual or book.
 - c. Each manual and/or book shall include all tests, drawings, schematic diagrams, wiring diagrams, and the complete part lists for the equipment supplied.
 - i. One complete set of all drawings of the equipment as finally approved and built (as listed in Section SR-7.B above).
 - ii. One complete set of operating, maintenance and installation, and instruction manuals for the various items of equipment.

- iii. One complete set of copies of the Certified Test Reports as specified in Technical Specifications Section 6.02.
 - iv. One complete copy of the complete part lists.
 - v. One complete copy of the trip coil monitor instruction book, if applicable.
- d. Individual submittal of various manufacturer's instruction/operating manuals or books will not be acceptable.
3. Approval drawings and instruction manuals shall be addressed as follows:
Public Utility District No. 2 of Grant County, Washington
ATTN: Mr. Daniel Niehenke
PO Box 878
Ephrata, WA 98823
4. All copies of required documentation shall be submitted no later than the date of delivery of the equipment.
5. The Master Maintenance Manual shall be shipped to the District Representative.
6. Electronic Master Maintenance Manual:
- a. The Contractor shall supply one copy of the entire hard copy manual, with all test reports, as described in SR-7.C.1.B, via email, File Transfer Portal site (FTP) or on a USB flash memory device, in a PDF format compatible with the latest version of Adobe Acrobat Reader. (See the following link for information on Adobe):
<http://www.adobe.com>
 - b. The PDF file shall include an index that is linked to each section, to facilitate searching for information.
 - c. Drawings shall be supplied via email, FTP, or on a USB flash memory device, as described elsewhere in the Contract Documents.
- D. AutoCAD

The certified drawing submittal shall include one complete set of manufacturer's drawings on CD in AutoCAD **.DWG** format and Adobe .PDF format.

1. Electronically created manufacturer's drawings shall be saved as an AutoCAD 2010 drawing (*.dwg) file type from a Vector type drawing and submitted on CD or USB flash memory device. Raster type drawings shall not be accepted.
2. Entity Property Assignment Standard: All entity colors and line types, except for blocks, shall be BYLAYER.
3. Entity Property to Plotter-Pen Assignment Standard: Entity colors and line types shall be assigned to pens one through eight on the Plot Set Up menu as follows:

Pen No.	Entity Color	Line Type	Inch	Pen Description	
				mm	Print Color
1	Red	Continuous	0.017	0.43	Red
2	Yellow	Continuous	0.007	0.18	Black
3	Green	Continuous	0.017	0.43	Green
4	Cyan	Continuous	0.010	0.25	Black
5	Blue	Continuous	0.017	0.43	Blue
6	Magenta	Continuous	0.012	0.35	Black
7	White	Continuous	0.020	0.50	Black
8	Gray	Continuous	0.028	0.70	Black

Additional colors and line types may be defined and mapped to pens one through eight as needed.

4. PDF Drawings: To ensure native .DWG format files display correctly on District CAD software, all drawings shall be plotted as a “D” size drawing directly to PDF format file. Scans of originals will not be accepted.

SR-8. WITNESS TESTING

- A. The District reserves the right to have representatives inspect at all times and to witness any or all tests and any desired assembly or assembly steps performed in completion of this Contract (see Section GC-13). Inspection and witness testing shall be limited to the first production unit of each breaker type, unless quality or material concerns arise, at which point the District will inspect further units until satisfied the areas of concern have been resolved. The Contractor shall provide the District sufficient, safe and proper access for any such inspection or test. No acceptance of the equipment shall be construed as a result of any such inspection or test. The Manufacturer shall have engineering, manufacturing, quality control, and operational factory personnel available who speak technical and conversational English without the need of an interpreter.
- B. Such inspections or witnessing of any test shall not relieve the Contractor of any of its obligations or rights under this Contract. The Contractor shall provide the District with a minimum of 20 days’ notice of any test to be performed. The District at that time will determine whether or not to witness the test.

SR-9. PRICE ADJUSTMENTS

For any 115kV and 230kV high voltage SF6 circuit breaker(s) which the District is obligated to purchase, as provided in Section SR-2, or exercises its right and option to purchase, as provided in Section SR-3, the Contractor shall furnish and deliver such 115kV and/or 230kV high voltage SF6 circuit breaker(s) at the Bid Unit Price specified for the particular Bid Item in Contractor’s original Bid Form as adjusted by a percentage amount equal to the percentage increase or decrease of the “Base Index” of the applicable index, compared to the applicable most recent preliminary index available as of the date the District issues the purchase order to purchase such 115kV and 230kV high voltage SF6 circuit breaker(s). There shall be no price adjustment on the initial order quantities as detailed in Section SR-2, unless delivery extends beyond 52 weeks, at which point Section SR-9.B.2 shall apply.

- A. For the purpose of this section, the following definitions apply:

1. The price adjustments shall be based on the changes in the “Switchgear and Switchboard Apparatus Mfg” as reported monthly by the U.S. Bureau of Labor Statistics in the Producers Price Index (PCU335313335313) for Industry 335313, from the month this Contract is prepared for bid to the month that the Change Order is prepared by the District. The table can be found at the following link:

http://data.bls.gov/timeseries/PCU335313335313?data_tool=XGtable

For this Contract, the “Base Index” shall be stated below:

Base Index = 326.806 (July 2024 Preliminary)

2. The methodology for calculating the Adjusted Unit Price shall be as stated in the following formula:

$$AUP = [((PI-BI)/BI)*OUP]+OUP$$

Where:

BI = Base Index

AUP = Adjusted Unit Price

OUP = Original Unit Price

PI = Latest preliminary Switchgear and Switchboard Apparatus Mfg Index at the time the Change Order is prepared by the District

- B. The following general conditions shall apply:

1. Price adjustments will be rounded to the nearest U.S. Dollar (\$1.00).
2. For orders which have delivery periods extending beyond 52 weeks, the District shall adjust the preliminary index used for the purchase order to the value which occurs six months before the month the product was actually delivered.
3. Should the index specified above be discontinued, or should the basis of its calculation be modified, other appropriate index or indices may be substituted by mutual agreement of the District and the successful Bidder.

SR-10. SPARE PARTS

- A. The Bidder shall submit with their bid proposal a Recommended Spare Parts List as outlined in Technical Specification, Section 7.01.2 (See Supplemental Bid Data Sheets IV).

- B. The Recommended Spare Parts Price List shall:

1. Be inclusive for and applicable to all equipment components, auxiliaries, accessories, and material being furnished under this Contract Document.
2. Include, for each recommended spare part, the unit price, quantity, description, catalog number, and drawing reference to completely identify the item and the equipment component for which it is recommended.

TECHNICAL SPECIFICATIONS

The Technical Specifications will be posted as a separate document on the District's ProcureWare website.

EXHIBIT “A” - BID FORM

COMPANY NAME OF BIDDER: _____
 (Full Legal Name)

MANUFACTURER: _____

TO: Public Utility District No. 2
 of Grant County, Washington
 154 A Street SE Building E
 Ephrata, Washington 98823

Having carefully examined Contract Documents, including any Technical Specifications and Contract Drawings as well as the premises and conditions affecting the delivery, the undersigned hereby proposes to furnish and deliver the specified equipment/material in strict accordance with these Contract Documents for the price(s) indicated below.

As evidence of good faith, a certified check, Cashier's Check or a Bid Bond in an amount not less than 5% of Total Base Bid Price is attached hereto. The undersigned understands and hereby agrees that should the following offer be accepted and the undersigned should fail or refuse to enter into a Contract and furnish the required Payment and Performance Bond, the undersigned's Certified Check, Cashier's Check or an amount equal to 5% of the Total Base Bid Price shall be forfeited to the District as liquidated damages.

The Total Base Bid Price (calculated total of Bid Item Prices 1.A through 3.A) shall be used in the Bid Evaluation plus at the District's option, any selected Additive Bid Item(s). A price must be placed on each blank including the Additive Bid Items or the Bid shall not be considered. In case of an error in addition, the correctly calculated total of the Bid Item Prices (Estimated Quantity times Bid Unit Price) shall prevail.

Bid Item No.	Description	Unit Type	Estimated Quantity	Bid Unit Price	Bid Item Price
1.A	115kV, 2000 Amp, SF6 Insulated, 40kA Interrupting, High Voltage Circuit Breaker	Each	4	\$	\$
2.A	230kV, 3000 Amp, SF6 Insulated, 40kA Interrupting, High Voltage Circuit Breaker	Each	20	\$	\$
2.B	230kV, 3000 Amp, SF6 Insulated, 40kA Interrupting, High Voltage Circuit Breaker	Each	18	\$	\$
2.C	230kV, 3000 Amp, SF6 Insulated, 40kA Interrupting, High Voltage Circuit Breaker	Each	4	\$	\$
2.D	230kV, 3000 Amp, SF6 Insulated, 40kA Interrupting, High Voltage Circuit Breaker	Each	15	\$	\$

Bid Item No.	Description	Unit Type	Estimated Quantity	Bid Unit Price	Bid Item Price
3.A	230kV, 3000 Amp, SF6 Insulated, 63kA Interrupting, High Voltage Circuit Breaker	Each	2	\$	\$
TOTAL BASE BID PRICE					\$

Additive Bid Item(s)

Additive Bid Item No.	Description	Unit Type	Estimated Quantity	Bid Unit Price	Additive Bid Item Price
1	115kV, 2000 Amp, SF6 Insulated, 40kA Interrupting, High Voltage Circuit Breaker	Each	16	\$	\$
2	230kV, 3000 Amp, SF6 Insulated, 40kA Interrupting, High Voltage Circuit Breaker	Each	43	\$	\$
3	230kV, 3000 Amp, SF6 Insulated, 63kA Interrupting, High Voltage Circuit Breaker	Each	8	\$	\$
TOTAL ADDITIVE BID PRICE					\$

The District, as it deems necessary for its requirements, shall have the option to award any or none of the Additive Bid Items shown on the Bid Form.

The above quantities are estimated quantities. Payment shall be made by Bid Item based on the actual quantity of the Bid Items completed satisfactorily, up to the amount of the Contract Price. The undersigned acknowledges and understands the District is only committing to purchase the units detailed in Section SR-1.	Yes ___	No ___
Bidder has enclosed a Cashier's Check, Certified Check or Bid Bond in accordance with Instructions to Bidders Section 9 .	Yes ___	No ___
Bidder accepts the Terms and Conditions of this Contract and takes no exceptions. If Bidder selects "No", please use Supplemental Bid Sheet VII (Listing of Clarifications) to provide explanation of exceptions taken, and proposed remedies.	Yes ___	No ___
Bidder has reviewed Instructions to Bidders, Section 8 – Bidder's Data, and submitted information as specified for EACH type/voltage level of breaker being bid.	Yes ___	No ___

Bidder has read, understands, and shall comply with the requirements of Section SR-2. If Bidder selects "No", please use Supplemental Bid Sheet VII (Listing of Clarifications) to provide explanation of exceptions taken, and proposed remedies. Please see Instructions to Bidders Section 7.D for Bids that do not comply with this provision.	Yes ___	No ___
Bidder understands and acknowledges that the District shall have the unilateral right and option to purchase additional units of Additive Bid Item Nos. 1 and/or 2 and/or 3 in accordance with the provisions of Section SR-3, and that for any such purchases, the price shall be determined in accordance with the provisions of Section SR-9. If Bidder selects "No", please use Supplemental Bid Sheet VII (Listing of Clarifications) to provide explanation of exceptions taken, and proposed remedies. Please see Instructions to Bidders Section 7.D for Bids that do not comply with this provision.	Yes ___	No ___
Bidder and proposed manufacturer meet the three years' experience requirements in Instructions to Bidders, Sections 15.A and 15.B.	Yes ___	No ___
Bidder has provided Certified Test Reports showing a minimum of 10,000 no-load mechanical operations for each type of breaker proposed. Please see Instructions to Bidders Section 7.I for Bids that comply with this provision.	Yes ___	No ___
Bidder has proposed the use of Doble TDR9100 series test equipment. Please see Instructions to Bidders Section 7.L for Bids that comply with this provision.	Yes ___	No ___

To help the District better understand the impacts of delivery and supply chain delays, please indicate what the Bidder can commit to for the quantities listed in Section SR-1 with consideration of the anticipated order dates listed in Section SR-2.

Bid Item	Associated District Project	Qty.	Requested Date	Can Bidder deliver all units by Requested Date?	If no, can any quantities be delivered by Requested Date?	What combination of dates/quantities can Bidder commit to for supplying requested units?
1.A	115kV Ring Bus	4	Sept. 9, 2027			
2.A	Mountain View	20	May 14, 2026			
2.B	Monument Hill	18	July 2, 2026			
2.C	West Quincy	4	Nov. 12, 2026			
2.D	Wheeler	15	Nov. 11, 2027			

Bid Item	Associated District Project	Qty.	Requested Date	Can Bidder deliver all units by Requested Date?	If no, can any quantities be delivered by Requested Date?	What combination of dates/quantities can Bidder commit to for supplying requested units?
3.A	Wanapum	2	Nov 11, 2027			

Bidder (full legal name):	
Street Address:	
Mailing Address:	
City, State, and Zip Code:	
Phone:	
Email:	
<p>The District uses DocuSign to sign the final Contract Form following Contract Award. Please provide the following information for the person who will be signing the final Contract Form in the event you are the successful Bidder.</p> <p>Name: _____ Title: _____ Email: _____</p>	
Washington State Unified Business Identifier (UBI) No.	
Washington State Sales Tax ID Number	

We hereby certify that we are not required to have a Washington State Sales Tax Identification Number for this work:

Attached hereto is the Bid proposal and all Bidder's Data required in support of this Bid.

Addendum Nos. (list all) _____ have been received and have been considered in preparing this Bid.

Signature: _____ Title: _____

Name (Print): _____ Date: _____
 Authorized Representative

Location or Place Executed (City and State): _____

Note: Failure to sign the Bid Form above shall result in rejection of the Bid. Digital signatures are not allowed on the Bid Form.

Bidder: _____

SUPPLEMENTAL BID DATA SHEET I, BID ITEM NO. 1

115kV, 2000A HIGH VOLTAGE CIRCUIT BREAKER (40 kA Interrupting Rating)

A. GENERAL:

1. Manufacturer: _____
2. Model Number of breaker: _____
3. Factory Location (City, State & Country): _____
4. Tank(s) (Circle proposed choices):
 - (a) Design: (Dead Tank) (Live Tank)
 - (b) Number: (One) (Three)
 - (c) Mounting: (Frame) (Floor)
5. Three pole tripping: (Yes) (No.)
6. Method of breaker shipment: _____
7. Earliest shipping date: _____ weeks after award.
8. Shop drawings available _____ weeks after award.
9. List parts to be field assembled:

10. Facilities provided for filling and removing SF6 gas from breaker:

11. List facilities provided for handling and lifting complete breaker:

12. Can the breakers be handled by means of a fork truck, or similar equipment, using standard integral structural components or with the installation of separate accessory equipment?

13. List facilities provided for handling & lifting individual pole units:

14. List facilities/tools provided for handling removable tanks:

15. List facilities/tools provided for dismantling and reassembling breaker (including arc chutes interrupter assemblies):

16. List facilities provided for timing breaker contacts:

17. Can breaker be field up-rated: (Yes) (No)

(a) Possible rating(s): _____ kA RMS

(b) Present day estimated cost: \$ _____

18. Location of the nearest manufacturer approved repair/service facility:

B. RATINGS:

1. Voltage Ratings:

(a) Maximum voltage: _____ kV RMS

(b) Voltage range factor (K): _____

2. Insulation level withstand:

(a) Low frequency (dry): _____ kV RMS

(b) Full wave impulse: _____ kV (crest)

3. Current ratings:

(a) Continuous: _____ A RMS

(b) Continuous rating at elevated ambient temperatures:

35°C	40°C	45°C	50°C	55°C	60°C

(c) Close and latch: _____ A RMS

(d) Short time (3 sec.): _____ A RMS

4. Interrupting ratings (at ANSI standard duty cycle):

(a) Rated short-circuit: _____ kA RMS

(b) Max sym interrupting: _____ kA RMS

(c) Ratio asym to sym interrupting: _____

5. Interrupting ratings (at duty cycle of):

(a) Rated short-circuit: _____ kA RMS

(b) Max sym interrupting: _____ kA RMS

(c) Ratio asym to sym interrupting: _____

6. Time characteristics (rated control voltage & operating pressure):

(a) Opening time (from energization of trip coil to contact) parting:
_____ milliseconds

(b) Min. reclosing time: _____ cycles.

(c) Max. interrupting time at 25% to 100% of rated asymmetrical interrupting
amps: _____ cycles

- (d) Max. interrupting time at less than 25% of rated asymmetrical interrupting
amps: _____ cycles

C. DESIGN DATA:

- 1. Impact loading to foundation:
 - (a) Force during closing: _____ lbs.
Direction: _____
 - (b) Force during opening: _____ lbs.
Direction: _____
- 2. Approximate weight:
 - (a) Breaker (completely assembled and unfilled): _____ lbs.
 - (b) SF6 gas: _____ lbs.
 - (c) Total: _____ lbs.
- 3. Vertical clearance for bushing removal
 - (a) Height above concrete breaker pad: _____ in.
- 4. Mechanism:
 - (a) Type of Operating Mechanism: _____
 - (b) Method used to charge operating mechanism: _____
 - (c) Number of close-open operations before recharging:
_____.
 - (d) Time to recharge: _____ seconds
 - (e) Charging Motor:
 - (1) Type: (AC, single phase) (AC, three phase) (DC)
 - (2) Voltage: _____ V
 - (3) Full load current: _____ A
 - (4) Max starting current: _____ A
 - (f) Coils

- (1) Trip coil(s) current draw: _____ A
- (2) Close coil(s) current draw: _____ A

D. MATERIALS AND EQUIPMENT:

1. Bushings:

- (a) Manufacturer: _____
- (b) Catalog number: _____
- (c) Voltage rating: _____ kV RMS
- (d) Current rating: : _____ Amps RMS
- (e) Withstand voltages:
 - (1) Low frequency (wet) : _____ kV RMS
 - (2) Low frequency (dry): _____ kV RMS
 - (3) Full wave impulse: _____ kV (crest)
- (f) Permissible safe cantilever loading at external terminal of installed bushing: _____ lbs
- (g) Provisions for PF test: (Yes) (No)
- (h) Creepage Distance: _____ inches
- (i) Dry Arc Distance: _____ inches
- (j) Weathershed Material: _____

2. Insulating Medium:

- (a) Field filling required: (Yes) (No)
- (b) Required weight of gas per breaker: _____ lbs
- (c) Operating pressure at 20°C: _____ psi
- (d) Gas amount shipped separate, per breaker: _____ lbs
- (e) Gas amount shipped in each breaker: _____ lbs
- (f) Number of gas cylinders required per breaker: _____
- (g) Are gas cylinders re-fillable?: (Yes) (No)

- (h) Deposit amount required per cylinder: _____ \$
- (i) Proposed cylinder shipping method: _____

3. Current transformers:

Description	Bushings Numbers	
	1-3-5	2-4-6
Number of CT's per Bushing		
Rating Factor		
Accuracy Class		
Maximum Number of CT's Possible		

4. Heaters:

- (a) Total demand for all heaters: _____ Watts
- (b) Total demand for tank heaters: _____ Watts
- (c) Temperature when tank heaters turn on: _____ °F

5. Tank Construction

- (a) Do the interrupter tanks for the proposed breaker utilize a single continuous tank casting per pole or is it comprised of two (or more) separate tank castings joined together? _____ Single _____ Multiple

(1) If multiple tank pieces/castings per pole are used, please describe the methods or means utilized to minimize or eliminate SF6 leaks through this additional joint:

E. MECHANISM/CONTROL ENCLOSURE:

- 1. Height: _____ inches

2. Width: _____ inches
3. Depth: _____ inches
4. Internal Volume: _____ cubic feet
5. Height from the Top of the District's breaker foundation to:
 - (a) Bottom of Enclosure: _____ inches
 - (b) Top of Enclosure: _____ inches
 - (c) Uppermost Circuit Breaker control: _____ inches
6. Mechanism/control enclosure NEMA rating: _____

F. MAINTENANCE:

1. List manufacturer and catalog number of at least two acceptable contact time, travel speed transducers.

2. Minimum number of full fault operations prior to maintenance: _____
3. Maximum years and/or months between maintenance events:
 - (a) Periodic Routine Maintenance: Months _____ and/or Years _____
 - (b) Periodic Lubrications (if separate): Months _____ and/or Years _____

Bidder: _____

SUPPLEMENTAL BID DATA SHEET I, BID ITEM NO. 2

230kV, 3000A HIGH VOLTAGE CIRCUIT BREAKER (40 kA Interrupting Rating)

A. GENERAL:

1. Manufacturer: _____
2. Model Number of breaker: _____
3. Factory Location (City, State & Country): _____
4. Tank(s) (Circle proposed choices):
 - (a) Design: (Dead Tank) (Live Tank)
 - (b) Number: (One) (Three)
 - (c) Mounting: (Frame) (Floor)
5. Three pole tripping: (Yes) (No.)
6. Method of breaker shipment: _____
7. Earliest shipping date: _____ weeks after award.
8. Shop drawings available _____ weeks after award.
9. List parts to be field assembled:

10. Facilities provided for filling and removing SF6 gas from breaker:

11. List facilities provided for handling and lifting complete breaker:

12. Can the breakers be handled by means of a fork truck, or similar equipment, using standard integral structural components or with the installation of separate accessory equipment?

13. List facilities provided for handling & lifting individual pole units:

14. List facilities/tools provided for handling removable tanks:

15. List facilities/tools provided for dismantling and reassembling breaker (including arc chutes interrupter assemblies):

16. List facilities provided for timing breaker contacts:

17. Can breaker be field up-rated: (Yes) (No)

(a) Possible rating(s): _____ kA RMS

(b) Present day estimated cost: \$ _____

18. Location of the nearest manufacturer approved repair/service facility:

B. RATINGS:

1. Voltage Ratings:

(a) Maximum voltage: _____ kV RMS

(b) Voltage range factor (K): _____

2. Insulation level withstand:

(a) Low frequency (dry): _____ kV RMS

(b) Full wave impulse: _____ kV (crest)

3. Current ratings:

(a) Continuous: _____ A RMS

(b) Continuous rating at elevated ambient temperature:

35°C	40°C	45°C	50°C	55°C	60°C

(c) Close and latch: _____ A RMS

(d) Short time (3 sec.): _____ A RMS

4. Interrupting ratings (at ANSI standard duty cycle):

(a) Rated short-circuit: _____ kA RMS

(b) Max sym interrupting: _____ kA RMS

(c) Ratio asym to sym interrupting: _____

5. Interrupting ratings (at duty cycle of):

(a) Rated short-circuit: _____ kA RMS

(b) Max sym interrupting: _____ kA RMS

(c) Ratio asym to sym interrupting: _____

6. Time characteristics (rated control voltage & operating pressure):

(a) Opening time (from energization of trip coil to contact) parting:
_____ milliseconds

(b) Min. reclosing time: _____ cycles.

(c) Max. interrupting time at 25% to 100% of rated asymmetrical interrupting
amps: _____ cycles

- (d) Max. interrupting time at less than 25% of rated asymmetrical interrupting
amps: _____ cycles

C. DESIGN DATA:

- 1. Impact loading to foundation:
 - (a) Force during closing: _____ lbs.
Direction: _____
 - (b) Force during opening: _____ lbs.
Direction: _____
- 2. Approximate weight:
 - (a) Breaker (completely assembled and unfilled): _____ lbs.
 - (b) SF6 gas: _____ lbs.
 - (c) Total: _____ lbs.
- 3. Vertical clearance for bushing removal
 - (a) Height above concrete breaker pad: _____ in.
- 4. Mechanism:
 - (a) Type of Operating Mechanism: _____
 - (b) Method used to charge operating mechanism: _____
 - (c) Number of close-open operations before recharging:
_____.
 - (d) Time to recharge: _____ seconds
 - (e) Charging Motor:
 - (1) Type: (AC, single phase) (AC, three phase) (DC)
 - (2) Voltage: _____ V
 - (3) Full load current: _____ A
 - (4) Max starting current: _____ A
 - (f) Coils

- (1) Trip coil(s) current draw: _____ A
- (2) Close coil(s) current draw: _____ A

D. MATERIALS AND EQUIPMENT:

1. Bushings:

- (a) Manufacturer: _____
- (b) Catalog number: _____
- (c) Voltage rating: _____ kV RMS
- (d) Current rating: : _____ Amps RMS
- (e) Withstand voltages:
 - (1) Low frequency (wet) : _____ kV RMS
 - (2) Low frequency (dry): _____ kV RMS
 - (3) Full wave impulse: _____ kV (crest)
- (f) Permissible safe cantilever loading at external terminal of installed bushing: _____ lbs
- (g) Provisions for PF test: (Yes) (No)
- (h) Creepage Distance: _____ inches
- (i) Dry Arc Distance: _____ inches
- (j) Weathershed Material: _____

2. Insulating Medium:

- (a) Field filling required: (Yes) (No)
- (b) Required weight of gas per breaker: _____ lbs
- (c) Operating pressure at 20°C: _____ psi
- (d) Gas amount shipped separate, per breaker: _____ lbs
- (e) Gas amount shipped in each breaker: _____ lbs
- (f) Number of gas cylinders required per breaker: _____
- (g) Are gas cylinders re-fillable?: (Yes) (No)

- (h) Deposit amount required per cylinder: _____ \$
- (i) Proposed cylinder shipping method: _____

3. Current transformers:

Description	Bushings Numbers	
	1-3-5	2-4-6
Number of CT's per Bushing		
Rating Factor		
Accuracy Class		
Maximum Number of CT's Possible		

4. Heaters:

- (a) Total demand for all heaters: _____ Watts
- (b) Total demand for tank heaters: _____ Watts
- (c) Temperature when tank heaters turn on: _____ °F

5. Tank Construction

- (a) Do the interrupter tanks for the proposed breaker utilize a single continuous tank casting per pole or is it comprised of two (or more) separate tank castings joined together? _____ Single _____ Multiple

(1) If multiple tank pieces/castings per pole are used, please describe the methods or means utilized to minimize or eliminate SF6 leaks through this additional joint:

E. MECHANISM/CONTROL ENCLOSURE:

- 1. Height: _____ inches

2. Width: _____ inches
3. Depth: _____ inches
4. Internal Volume: _____ cubic feet
5. Height from the Top of the District's breaker foundation to:
 - (a) Bottom of Enclosure: _____ inches
 - (b) Top of Enclosure: _____ inches
 - (c) Uppermost Circuit Breaker control: _____ inches
6. Mechanism/control enclosure NEMA rating: _____

F. MAINTENANCE:

1. List manufacturer and catalog number of at least two acceptable contact time, travel speed transducers.

2. Minimum number of full fault operations prior to maintenance: _____
3. Maximum years and/or months between maintenance events:
 - (a) Periodic Routine Maintenance: Months _____ and/or Years _____
 - (b) Periodic Lubrications (if separate): Months _____ and/or Years _____

Bidder: _____

SUPPLEMENTAL BID DATA SHEET I, BID ITEM NO. 3

230kV, 3000A HIGH VOLTAGE CIRCUIT BREAKER (63 kA Interrupting Rating)

A. GENERAL:

1. Manufacturer: _____
2. Model Number of breaker: _____
3. Factory Location (City, State & Country): _____
4. Tank(s) (Circle proposed choices):
 - (a) Design: (Dead Tank) (Live Tank)
 - (b) Number: (One) (Three)
 - (c) Mounting: (Frame) (Floor)
5. Three pole tripping: (Yes) (No.)
6. Method of breaker shipment: _____
7. Earliest shipping date: _____ weeks after award.
8. Shop drawings available _____ weeks after award.
9. List parts to be field assembled:

10. Facilities provided for filling and removing SF6 gas from breaker:

11. List facilities provided for handling and lifting complete breaker:

12. Can the breakers be handled by means of a fork truck, or similar equipment, using standard integral structural components or with the installation of separate accessory equipment?

13. List facilities provided for handling & lifting individual pole units:

14. List facilities/tools provided for handling removable tanks:

15. List facilities/tools provided for dismantling and reassembling breaker (including arc chutes interrupter assemblies):

16. List facilities provided for timing breaker contacts:

17. Can breaker be field up-rated: (Yes) (No)

(a) Possible rating(s): _____ kA RMS

(b) Present day estimated cost: \$ _____

18. Location of the nearest manufacturer approved repair/service facility:

B. RATINGS:

1. Voltage Ratings:

(a) Maximum voltage: _____ kV RMS

(b) Voltage range factor (K): _____

2. Insulation level withstand:

(a) Low frequency (dry): _____ kV RMS

(b) Full wave impulse: _____ kV (crest)

3. Current ratings:

(a) Continuous: _____ A RMS

(b) Continuous rating at elevated ambient temperature:

35°C	40°C	45°C	50°C	55°C	60°C

(c) Close and latch: _____ A RMS

(d) Short time (3 sec.): _____ A RMS

4. Interrupting ratings (at ANSI standard duty cycle):

(a) Rated short-circuit: _____ kA RMS

(b) Max sym interrupting: _____ kA RMS

(c) Ratio asym to sym interrupting: _____

5. Interrupting ratings (at duty cycle of):

(a) Rated short-circuit: _____ kA RMS

(b) Max sym interrupting: _____ kA RMS

(c) Ratio asym to sym interrupting: _____

6. Time characteristics (rated control voltage & operating pressure):

(a) Opening time (from energization of trip coil to contact) parting:
_____ milliseconds

(b) Min. reclosing time: _____ cycles.

(c) Max. interrupting time at 25% to 100% of rated asymmetrical interrupting
amps: _____ cycles

- (d) Max. interrupting time at less than 25% of rated asymmetrical interrupting
amps: _____ cycles

C. DESIGN DATA:

- 1. Impact loading to foundation:
 - (a) Force during closing: _____ lbs.
Direction: _____
 - (b) Force during opening: _____ lbs.
Direction: _____
- 2. Approximate weight:
 - (a) Breaker (completely assembled and unfilled): _____ lbs.
 - (b) SF6 gas: _____ lbs.
 - (c) Total: _____ lbs.
- 3. Vertical clearance for bushing removal
 - (a) Height above concrete breaker pad: _____ in.
- 4. Mechanism:
 - (a) Type of Operating Mechanism: _____
 - (b) Method used to charge operating mechanism: _____
 - (c) Number of close-open operations before recharging:
_____.
 - (d) Time to recharge: _____ seconds
 - (e) Charging Motor:
 - (1) Type: (AC, single phase) (AC, three phase) (DC)
 - (2) Voltage: _____ V
 - (3) Full load current: _____ A
 - (4) Max starting current: _____ A
 - (f) Coils

- (1) Trip coil(s) current draw: _____ A
- (2) Close coil(s) current draw: _____ A

D. MATERIALS AND EQUIPMENT:

1. Bushings:

- (a) Manufacturer: _____
- (b) Catalog number: _____
- (c) Voltage rating: _____ kV RMS
- (d) Current rating: : _____ Amps RMS
- (e) Withstand voltages:
 - (1) Low frequency (wet) : _____ kV RMS
 - (2) Low frequency (dry): _____ kV RMS
 - (3) Full wave impulse: _____ kV (crest)
- (f) Permissible safe cantilever loading at external terminal of installed bushing: _____ lbs
- (g) Provisions for PF test: (Yes) (No)
- (h) Creepage Distance: _____ inches
- (i) Dry Arc Distance: _____ inches
- (j) Weathershed Material: _____

2. Insulating Medium:

- (a) Field filling required: (Yes) (No)
- (b) Required weight of gas per breaker: _____ lbs
- (c) Operating pressure at 20°C: _____ psi
- (d) Gas amount shipped separate, per breaker: _____ lbs
- (e) Gas amount shipped in each breaker: _____ lbs
- (f) Number of gas cylinders required per breaker: _____
- (g) Are gas cylinders re-fillable?: (Yes) (No)

- (h) Deposit amount required per cylinder: _____ \$
- (i) Proposed cylinder shipping method: _____

3. Current transformers:

Description	Bushing Numbers	
	1-3-5	2-4-6
Number of CT's per Bushing		
Rating Factor		
Accuracy Class		
Maximum Number of CT's Possible		

4. Heaters:

- (a) Total demand for all heaters: _____ Watts
- (b) Total demand for tank heaters: _____ Watts
- (c) Temperature when tank heaters turn on: _____ °F

5. Tank Construction

- (a) Do the interrupter tanks for the proposed breaker utilize a single continuous tank casting per pole or is it comprised of two (or more) separate tank castings joined together? _____ Single _____ Multiple

(1) If multiple tank pieces/castings per pole are used, please describe the methods or means utilized to minimize or eliminate SF6 leaks through this additional joint:

E. MECHANISM/CONTROL ENCLOSURE:

- 1. Height: _____ inches

- 2. Width: _____ inches
- 3. Depth: _____ inches
- 4. Internal Volume: _____ cubic feet
- 5. Height from the Top of the District's breaker foundation to:
 - (a) Bottom of Enclosure: _____ inches
 - (b) Top of Enclosure: _____ inches
 - (c) Uppermost Circuit Breaker control: _____ inches
- 6. Mechanism/control enclosure NEMA rating: _____

F. MAINTENANCE:

- 1. List manufacturer and catalog number of at least two acceptable contact time, travel speed transducers.

- 2. Minimum number of full fault operations prior to maintenance: _____
- 3. Maximum years and/or months between maintenance events:
 - (a) Periodic Routine Maintenance: Months _____ and/or Years _____
 - (b) Periodic Lubrications (if separate): Months _____ and/or Years _____

Bidder: _____

SUPPLEMENTAL BID DATA SHEET IV, BID ITEM NO. 1

RECOMMENDED SPARE PARTS LIST
 For 115 kV, 2000 A, 40 kA Breaker(s)

Supplemental Bid Form III must be submitted for each type bid. (Refer to Specific Requirements, Section SR-10)

Item Description	Manufacturer	Catalog Number	Drawing #	Rec. Qty.	Typical Lead Time
Trip Coil(s)					
Close Coil(s)					
Mechanism Charging Motor					
Touch up Paint (spray paint)					
Filling Hoses, Fittings, Regulators, gauge, etc					
O-Rings (set)					
Operations Counter					
Bushings					
Lubricant(s)					
Interposing or similar auxiliary Relay(s)					
Current Transformer					
Arcing Contact - Stationary					
Arcing Contact - Moving					
Nozzle					
Special Tools for Installation*					
Special Tools for Dismantle/Reassemble*					

*Where applicable, tools other than commonly available shop hand and power tools

(Copy additional sheets as needed)

Bidder: _____

SUPPLEMENTAL BID DATA SHEET IV, BID ITEM NO. 2

RECOMMENDED SPARE PARTS LIST
 For 230 kV, 3000 A, 40 kA Breaker(s)

Supplemental Bid Form III must be submitted for each type bid. (Refer to Specific Requirements, Section SR-10)

Item Description	Manufacturer	Catalog Number	Drawing #	Rec. Qty.	Typical Lead Time
Trip Coil(s)					
Close Coil(s)					
Mechanism Charging Motor					
Touch up Paint (spray paint)					
Filling Hoses, Fittings, Regulators, gauge, etc					
O-Rings (set)					
Operations Counter					
Bushings					
Lubricant(s)					
Interposing or similar auxiliary Relay(s)					
Current Transformer					
Arcing Contact - Stationary					
Arcing Contact - Moving					
Nozzle					
Special Tools for Installation*					
Special Tools for Dismantle/Reassemble*					

*Where applicable, tools other than commonly available shop hand and power tools

(Copy additional sheets as needed)

Bidder: _____

SUPPLEMENTAL BID DATA SHEET IV, BID ITEM NO. 3

RECOMMENDED SPARE PARTS LIST
 For 230 kV, 3000 A, 63 kA Breaker(s)

Supplemental Bid Form III must be submitted for each type bid. (Refer to Specific Requirements, Section SR-10)

Item Description	Manufacturer	Catalog Number	Drawing #	Rec. Qty.	Typical Lead Time
Trip Coil(s)					
Close Coil(s)					
Mechanism Charging Motor					
Touch up Paint (spray paint)					
Filling Hoses, Fittings, Regulators, gauge, etc					
O-Rings (set)					
Operations Counter					
Bushings					
Lubricant(s)					
Interposing or similar auxiliary Relay(s)					
Current Transformer					
Arcing Contact - Stationary					
Arcing Contact - Moving					
Nozzle					
Special Tools for Installation*					
Special Tools for Dismantle/Reassemble*					

*Where applicable, tools other than commonly available shop hand and power tools

(Copy additional sheets as needed)

Bidder: _____

SUPPLEMENTAL BID DATA SHEET V, BID ITEM NO. 1

115 kV USER’S LIST (40 kA Interrupting Rating)
 (See Instructions To Bidders, Section 8.D, of this document)

Utility Name and Address	Contact Name and Telephone Number	Current Rating (A):		kV Rating	Year Sold
		Continuous	Interrupting		
		2,000	40,000	123	
		2,000	40,000	123	
		2,000	40,000	123	
		2,000	40,000	123	
		2,000	40,000	123	
		2,000	40,000	123	
		2,000	40,000	123	
		2,000	40,000	123	
		2,000	40,000	123	
		2,000	40,000	123	
		2,000	40,000	123	

Bidder: _____

SUPPLEMENTAL BID DATA SHEET V, BID ITEM NO. 2

230 kV USER’S LIST (40 kA Interrupting Rating)
 (See Instructions To Bidders, Section 8.D, of this document)

Utility Name and Address	Contact Name and Telephone Number	Current Rating (A):		kV Rating	Year Sold
		Continuous	Interrupting		
		3,000	40,000	245	
		3,000	40,000	245	
		3,000	40,000	245	
		3,000	40,000	245	
		3,000	40,000	245	
		3,000	40,000	245	
		3,000	40,000	245	
		3,000	40,000	245	
		3,000	40,000	245	
		3,000	40,000	245	
		3,000	40,000	245	

Bidder: _____

SUPPLEMENTAL BID DATA SHEET V, BID ITEM NO. 3

230 kV USER’S LIST (63 kA Interrupting Rating)
 (See Instructions To Bidders, Section 8.D, of this document)

Utility Name and Address	Contact Name and Telephone Number	Current Rating (A):		kV Rating	Year Sold
		Continuous	Interrupting		
		3,000	63,000	245	
		3,000	63,000	245	
		3,000	63,000	245	
		3,000	63,000	245	
		3,000	63,000	245	
		3,000	63,000	245	
		3,000	63,000	245	
		3,000	63,000	245	
		3,000	63,000	245	
		3,000	63,000	245	
		3,000	63,000	245	

Bidder: _____

SUPPLEMENTAL BID DATA SHEET VI

DESCRIPTION OF WARRANTY

Provide documentation or explanation of Manufacturer's Warranty provided per Section GC-9 of the Contract. If an extended warranty is provided as part of this Contract, then provide appropriate documentation or explanation here as well. Add additional sheets as needed.

Bidder: _____

SUPPLEMENTAL BID DATA SHEET VII

LISTING OF CLARIFICATIONS

List any clarifications to bid documents, providing applicable references. Add additional sheets as needed.

Bidder: _____

SUPPLEMENTAL BID DATA SHEET VIII

DESCRIPTION OF THE FIELD ASSEMBLY REQUIREMENTS

Provide a description of any field assembly required to prepare the breakers for service once they arrive at their final location. This would include, but is not limited to extending legs, mounting of accessories, installation of bushings, etc. Work to install external customer (District) conduits and cabling can be excluded from this description.

EXHIBIT "B" - BID BOND

KNOW ALL MEN BY THESE PRESENTS: That we _____ (hereinafter called "the Principal"), as Principal, and _____ duly licensed for the purpose of making, guaranteeing or becoming sole surety upon bonds or undertakings required or authorized by the laws of the State of Washington, as Surety, are held and firmly bound unto PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON (hereinafter called "the Obligee") in the penal sum of \$ _____ lawful money of the United States of America, for the payment of which, well and truly to be made, we hereby bind ourselves and each of our successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the Obligee shall make any award to the Principal for _____ according to the terms of the proposal or Bid made by the Principal therefore, and the Principal shall duly make and enter into a contract with the Obligee in accordance with the terms of said proposal or Bid and award and shall give bond for the faithful performance thereof with the _____, as Surety, or with other Surety or Sureties approved by the Obligee, or if the principal shall, in case of failure so to do, pay to the Obligee the penal amount of the deposit specified in the call for Bids, then this obligation shall be null and void; otherwise it shall be and remain in full force and effect, and the Surety shall forthwith pay and forfeit to the Obligee, as penalty and liquidated damages, the amount of this bond.

IN WITNESS WHEREOF, said Principal and said Surety have caused these presents to be duly signed and sealed this _____ day of _____, 20__.

PRINCIPAL

SURETY

Signature

Signature

Print Name

Print Name

* Bidder shall attach Power of Attorney for person signing on behalf of Surety.

EXHIBIT "C" - CONTRACT FORM

This Agreement, effective upon full execution, is by and between Public Utility District No. 2 of Grant County, Washington ("District") and Irby Electrical Utilities ("Contractor");

WITNESSETH:

That parties hereto for the considerations set forth in the Contract Documents agree as follows:

1. **SCOPE OF WORK** - The Contractor agrees to furnish 115kV and 230kV high voltage SF6 circuit breaker(s) in the manner and form provided by the Contract Documents 170-11844R made a part hereof, entitled Supplying 115kV and 230kV High Voltage SF6 Circuit Breaker(s) - Rebid.
2. **DELIVERY** - The Contractor shall deliver the equipment/materials, F.O.B. the District's Warehouse. The Contractor shall deliver the equipment/materials on or before the dates specified in these Contract Documents; failure to do so shall result in damage to the District. Liquidated damages for late delivery shall be applicable as provided in Section SR-2. Any such liquidated damages shall be deducted from any money due the Contractor.
3. **PAYMENT** - The District agrees to pay the Contractor for the equipment/materials to be provided the not to exceed sum of \$29,870,200.00, subject to the Prompt Payment Discount provision (see Section GC-2), plus applicable Washington State Sales Tax in accordance with the Contract Documents.
4. **PAYMENT AND PERFORMANCE BOND** - The Contractor shall furnish in favor of the District, a Payment and Performance Bond as required by the Contract Documents, and this Contract shall not obligate the District until such Payment and Performance Bond has been tendered.

The parties to this Agreement have caused it to be executed on the dates indicated below. This Agreement may be executed in counterparts, each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

Public Utility District No. 2
of Grant County, Washington

Irby Electrical Utilities

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT "D" - PAYMENT AND PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, That _____
of _____
, (hereinafter called the "Principal"), and _____,
as Surety, are jointly and severally held and bound unto PUBLIC UTILITY DISTRICT NO. 2 OF GRANT
COUNTY, WASHINGTON (hereinafter called the "District"), in the sum of \$_____ for the
payment of which we jointly and severally bind ourselves, our heirs, executors, administrators and assigns,
and successors and assigns, firmly by these presents.

This bond is executed pursuant to and compliance with Chapter 39.08, Revised Code of
Washington, and all rights and remedies under this bond shall be determined in accordance therewith.

THE CONDITION of this bond is such that, WHEREAS, the said Principal herein, executed a
certain contract with the District, by the terms, conditions and provisions of which contract the said
Principal herein, agrees to furnish all material and do certain work, to-wit:
_____ per the
Contract Documents made a part of said contract, which contract as so executed is hereunto attached, is
now referred to and by reference is incorporated herein and made a part hereof as fully for all purposes as
if here set forth at length.

NOW, THEREFORE, if the Principal herein shall faithfully and truly observe and comply with the
terms, conditions and provisions of said contract in all respects, including all guarantees and warranties
arising thereunder, and shall well and truly do and perform all matters and things by it undertaken
to be performed under said contract, upon the terms proposed therein and within the time prescribed therein,
or within such extensions of time as may be granted under said contract and shall hold the District harmless
from all costs and damages (including reasonable legal fees) which it may incur by reason of any failure to
do so, and shall fully reimburse and repay the District for all expense which it may incur in making good
any such failure of performance on the part of the Principal, and shall pay all laborers, mechanics, and
subcontractors and material suppliers, and all persons who supply such person or persons, or subcontractors,
with provisions and supplies for the carrying on of such work and shall fully reimburse the District for any
excess in cost of construction over the cost set in the contract and any amendments thereto, occasioned by
any default of the Principal under the contract and any amendments thereto, then this obligation shall be
null and void, but otherwise shall remain in full force and effect.

No prepayment or delay in payment and no change, extension, addition, or alteration of any
provision of the Contract agreed to between the Contractor and the District, and no forbearance on the part
of the District, shall operate to relieve surety from any liability on this bond, and consent to make these
alterations without further notice to or consent by the surety is hereby given.

The Surety for value received agrees that no change, extension of time, alteration or addition to the
terms of the Contract, the specifications accompanying the Contract, or to the work to be performed under
the Contract shall in any way affect its obligation on this bond, except as provided herein, and waives notice
of any change, extension of time, alteration or addition to the terms of the Contract or to the work performed.
The Surety agrees that modifications and changes to the terms and conditions of the Contract that increase
the total amount to be paid to the Principal shall automatically increase the obligation of the Surety on the
bond and notice to Surety is not required for such increased obligation.

Dated this _____ day of _____, 20__.

"PRINCIPAL"

Full legal company name

Signature

Print name

"SURETY"

Full legal company name

Signature

Print name

Address of local office and agent, and home
offices of Surety Company:

* Contractor shall attach Power of Attorney for person signing on behalf of Surety.

EXHIBIT "E" - CHANGE ORDER

NO. __

Pursuant to Section GC-10, the following changes are hereby incorporated into this Contract:

- A. Description of Change:

- B. Time of Completion: The revised delivery date shall be _____. Liquidated damages, if any, shall be assessed based on the revised completion date.
OR
 The delivery 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 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

Full Legal Name of Contractor

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

EXHIBIT "F" – DISTRICT INSTRUCTIONS

No. _____

Contract No.:	170-11844R	Drawing No. (if applicable):	
Project Name:			

This Instruction is issued in accordance with the terms and conditions of the Contract Documents as:

- 1. An interpretation of Contract Documents, or
- 2. An order to proceed immediately with minor changes not affecting Contract Price or time for completion of the work.

INSTRUCTION:

Sample Only

DO NOT PROCEED with the Instruction 1 or 2 above if you believe this Instruction shall provide the basis for a claim or increase in the Contract Price or time for completion of the work. By signing this Instruction, Contractor hereby agrees that as a result thereof, there shall be no change in Contract Price or time of completion and waives any claim relating thereto.

RECEIPT ACKNOWLEDGED AND INSTRUCTION ACCEPTED:

Public Utility District No. 2
of Grant County, Washington

Full Legal Name of Contractor

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

COMMERCIAL EVALUATION

Contract No.:	170-11844R	Contract Title:	Supplying 15kV and 230kV High Voltage Circuit Breakers
----------------------	------------	------------------------	--

Bid Opening Date		9/5/2024	
Total No. of Bidders:		1	
Was prequalification required for bidding?		No	
No. of potential Bidders who obtained the Bid documents:		24	
Was this Bid advertised in the newspaper?	Yes	If yes, where?	Columbia Basin Herald
Addenda issued?	No	If yes, how many	N/A

Additional Information

--

Cost Estimate:	Base Bid: \$16,845,000.00 Additive: \$16,505,000.00
-----------------------	--

Bidders

Name of Bidder:	Irby Electrical Utilities quoting GE Grid Solutions		
Total Bid Price:	\$14,818,890.00	Bid Security:	Bid Bond
Additive Bid Price:	\$15,051,310.00	Delivery / Completion:	As required
Signature Certification:	Yes	Bidder's Data Provided:	Yes
Addendum Received:	Yes	Technically Compliant?	Yes
Commercially Compliant?	Yes		

Additional Information:

There was some payment terms that were not within the District's standard practice. ELT has approved those.

Motion authorizing the General Manager/CEO to execute Change Order No. 3 to Contract 430-11765 with Absher Construction Design Build Team, increasing the not-to-exceed contract amount by \$28,211,336.00 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. 3.

MEMORANDUM

September 11, 2024

TO: Rich Wallen, General Manager/Chief Executive Officer

VIA: Fallon Long, Chief Enterprise Shared Services Officer DocuSigned by:
Fallon Long
A7D572C602C0445...
9/11/2024

FROM: Nick Bare, District Representative DocuSigned by:
Nick J. Bare
3234B787D3734AC...
9/11/2024

SUBJECT: Award Power Delivery Facilities Project, New Service Center Progressive Design-Build Team Contract 430-11765, Change Order 3

Purpose:

To request Commission approval to execute contract 430-11765 Change Order 3 with Absher Construction Design-Build Team (D-B Team) in the not to exceed amount of \$28,211,336.00 to execute Design Phase activities and start early site work construction for the New Ephrata Service Center (SC1) project, utilizing the Progressive Design-Build (PD-B) approach.

During the Design Phase, the D-B Team will take the information gathered during the program validation period and use it to design the site to suit the current and future needs of Grant PUD. The program validation period consisted of Grant PUD and the D-B team gathering and analyzing information contained in Grant PUD's Facilities Master Plan, further assessing our existing facilities, several meetings with stakeholders and frontline employees, site visits to other utilities' facilities, and culminated in the development of detailed space descriptions and performance criteria for SC1. The D-B Team has also developed the SC1 Target Value budget, schedule, and risk assessment that will be updated regularly throughout the life of the SC1 project. They will work with Grant PUD to further monitor the Target Value Design (TVD) allocations focusing on delivering customer values within the identified project constraints. The D-B Team is now ready to move into the Design Phase of the project.

Once the Design Phase of the project is complete, a planned change order will be requested via a Guaranteed Maximum Price Amendment for the construction of the project as designed. That planned GMP Amendment will include the scope, not to exceed cost, and schedule for the D-B Team to construct SC1.

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 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. The design and construction of these new facilities will be staggered over time to minimize the impact on both customers and employees during the transition. Additionally, this approach allows for a separate economic review of each facility, ensuring that any potential rate impacts on our customers are minimized.

Implementation of the Facilities Master Plan is to begin with design and construction of SC1. A portion of the D-B Team's validation period discussed above considered the programming for all 3 planned new facilities to ensure an integrated, strategic perspective is achieved to maximize efficiencies.

County growth and demand for Grant PUD services are increasing and the existing Ephrata and Moses Lake Service Centers and Headquarters facilities are inadequate to keep up with current and long-term service demands. These facilities are not in compliance with Federal and State requirements, including ADA, Energy, and Building Codes. Constructing new, innovative, and more efficient facilities is a more cost-effective and functional approach compared to improving the existing facilities. The current buildings lack appropriate office space, storage space, restrooms, breakrooms, parking, and conference rooms, resulting in overcrowding and the need to disperse staff across leased spaces. By investing in new facilities, Grant PUD can address these challenges and create an environment that allows current employees to return to co-location. This will not only enhance their collaboration but also provide ample room for future Grant PUD and customer growth opportunities.

Justification:

Design and construction of SC1 will correct deficiencies and non-compliance, create a building that meets Grant PUD's safety and reliability standards and capitalize on resiliency opportunities. SC1 will co-locate currently dispersed departments that collaborate closely to perform work and allow space for future department growth. Crews will have adequate space to meet, receive and provide training to safely provide service to customers, and properly store tools and equipment to protect Grant PUD assets.

SC1 will correct long-standing issues of aging buildings and remodels that have been pieced together over decades of time. Years of temporary break-fixes and deferred upgrades have compounded to create inefficiencies for various departments and work groups. Their work areas lack the necessities to enable employees to effectively complete their work. Grant PUD has assessed concept designs and projected costs for remodeling and improving the existing Ephrata and Moses Lake Service Centers. However, it has been determined that these costs are ineffective and impractical when compared to constructing new facilities. While costly improvements to the existing facilities would enable us to meet short-term requirements, they would not facilitate long-term future growth to meet organizational objectives and customer needs.

If the contract request is not awarded for the D-B Team to begin the SC1 Design Phase, Grant PUD will continue to incur significant costs to continue inefficient operations from the aging Ephrata Service Center. Many components at the service center 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, additional leased space will be required to house employees and assets to enable Grant PUD to maintain and improve the level of service desired.

Financial Considerations:

Through the 2019-2022 Master Planning effort, the estimated total project cost was calculated. In February 2023, a cost estimation firm was enlisted to review and validate the Master Plan cost estimate. The cost estimator concluded, based on Master Plan programming, the SC1 total estimated project cost (escalated to construction midpoint Q2 2026) in the amount of \$235,408,470. That escalated estimate is comprised of \$163,630,256 for design and construction and \$71,778,214 for owner costs. Owner costs

are those to manage the project and the additional cost required to bring a project to operable status, including, but not limited to, property acquisition, moving inventory, furnishings, materials, and equipment typically handled by owner.

One of the many benefits Progressive Design-Build allows is for Grant PUD and the D-B Team to work together to more fully understand scope, schedule, budget, and funding before establishing a final design concept and cost proposal. The total project cost estimates will be refined as the D-B Team moves through design and will be communicated and analyzed. The initial Target Value Budget has the estimated construction cost of the project at \$179,597,137 and the total project cost at \$250,664,691. The D-B Team will continue to utilize Target Value Design (TVD) to provide Grant PUD quality scope within this established Target Budget.

The SC1 project was evaluated and considered for financial approval in August 2022. \$6.04M capital budget was approved to fund project initiation and planning. The project was again evaluated in August 2024 for this scheduled change order to allocate funds to keep the D-B Team progressing in 2025 to the completion of the design and potential early procurement made possible by the Progressive Design-Build delivery method. Adequate budget has been approved to execute this change order.

The D-B Team estimates \$8,349,698 not to exceed cost to complete the Design Phase of the project. Grant PUD will only incur costs for time and expense authorized and performed. Additionally, they have estimated early sitework for the project site at \$19,861,638, to be included in this change order as an allowance and authorized later (in whole or in part) upon further development of the design and after the D-B Team establishes the necessary scope buyout to complete the work. Estimated costs for SC1 construction will be continually refined as project planning and design continues until we establish the Guaranteed Maximum Price (GMP) in Q3 and Q4 of 2025. Additional capital funding requests will be presented for approval at that point in time.

Contract Specifics:

Authorization for public entities to utilize alternative public works contracting procedures is regulated by the Revised Code of Washington State. Under some circumstances, alternative contracting procedures can best serve the public interest when implemented in an open and fair process based on objective and equitable criteria. The SC1 project applied for and met the criteria established in RCW 39.10, as determined by the Washington State Department of Enterprise Services Project Review Committee (PRC) in March 2023. With the PRC's approval we were granted the opportunity to utilize the Progressive Design-Build (PD-B) delivery approach.

The PD-B procurement approach has elevated Grant PUD's access to highly skilled contractors and designers. Interested D-B teams were solicited by Request for Qualifications. Responding D-B teams were evaluated and scored on their experience and qualifications in the following areas: successfully deliver projects similar in scope and complexity to the SC1 project; their capabilities of utilizing the PD-B delivery approach; and their past performance utilizing Disadvantaged Business Enterprise (DBE), Minority & Women-Owned Business Enterprise (MWBE) and small businesses. Seven (7) teams responded to Grant PUD's request for qualifications and the highest scoring three (3) teams were issued Request for Proposals. The finalists were further evaluated and scored on their PD-B approach for SC1, cost tracking, guaranteed maximum price development approach, design and construction management approaches, project safety management, claims history, and their inclusion plan for DBE, MWBE and small businesses.

The Absher Construction + Integrus Architecture + Huitt-Zollars Team (D-B Team) was the highest scoring respondent to Grant PUD's SC1 project request.

Grant PUD utilized the Design-Build Institute of America's (DBIA) recommended contract agreement and general conditions for the Progressive Design-Build delivery method. Revisions and clarification to DBIA's recommendations have been reviewed by our specialized legal counsel, Robynne Thaxton. Robynne partnered with Grant PUD to support our two other PD-B projects in Power Delivery. Robynne is a leading legal expert in construction law and alternate procurement in Washington State and in the nation. She has served, or is serving, on multiple state and national boards that develop and establish best practices for alternative procurement and state RCWs. We get all alterations to DBIA contracts vetted and approved by Robynne.

Insurance, bonding requirements, and proof of the ability to obtain the necessary coverage have been secured and maintained during the life of this contract. This standard business practice will be maintained for the life of the project.

Since selection, the D-B Team has worked with Grant PUD to refine scope, deliverables, and milestones to successfully complete the project validation phase and developed the Project Validation Report. The initial \$3,999,891 not to exceed contract price established is currently being managed to as the D-B Team completes the programming, validation, and pre-design scope and requirements through 2024. Current reimbursement to the D-B Team is based on time and expenses incurred and substantiated in their invoices.

We are now nearing completion of the initial authorized scope of this contract (programming, validation, and pre-design work) and are coming to the point in the project to start the actual design of the New Ephrata Service Center site in earnest. Additionally, we plan to be ready to start early sitework in the summer of 2025. The increase to the not to exceed contract price includes costs for professional design and engineering services from the D-B Team and subconsultants, and an allowance to start early sitework when the design is developed adequately, and Grant PUD determines it is most advantageous to authorize the D-B Team to start the work.

Near the completion of the design the Guaranteed Maximum Price (GMP) to construct the project as designed will be established. This GMP will initiate another planned change order/GMP amendment to release the D-B Team to construct the project in its entirety.

The current estimated project completion is by the end of 2027. The project schedule will be further refined during the design development period and through thorough joint project planning efforts between Grant PUD, the D-B Team, subcontractors, and suppliers.

Recommendation:

Commission approval to execute Change Order #03 to contract 430-11765, with Absher Construction Design-Build Team, in the not to exceed amount of \$28,211,336.00 to complete design development and early sitework construction activities for the new Service Center (SC1) project, utilizing the Progressive Design-Build approach.

Legal Review:

See attached e-mail(s).

Motion authorizing the General Manager/CEO to execute Change Order No. 13 to Contract 430-4045 with Voith Hydro Inc., increasing the not-to-exceed contract amount by \$79,535,551.56 for a new contract total of \$155,411,603.56 and resetting the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for charges incurred as a result of Change Order No. 13.

M E M O R A N D U M

September 11, 2024

To: Richard Wallen, General Manager

Via: Jeff Grizzel, Chief Operating Officer
Julie Pyper, Chief Administrative Officer
Rey Pulido, Director of Power Production
Aaron Kuntz, Senior Manager of EPMO
Vince Von Paul, EPMO Manager

Initial
RP
AK
VVP

From: JT Wallace, Project Coordinator

Subject: Contract 430-4045, Change Order No. 13

To: Commission approval of Change Order No. 13 to Contract 430-4045 with Voith Hydro Inc to increase Contract price by \$79,535,551.56, increasing the total contract value to \$155,411,603.56.

Discussion: Contract 430-4045 was awarded to Voith Hydro Inc. (Voith) on February 9, 2016, to cover on-site labor for the rehabilitation of turbines and generators at Priest Rapids Dam. This time-and-materials contract includes Garrett Electric as a subcontractor for electrical work.

Due to ongoing and anticipated labor costs for Units 7-10 of the Priest Rapids Dam turbine/generator upgrade project, a Change Order is required for continued labor resource support from Voith. This change order will allow the turbine/generator project team to continue to secure a qualified and experienced labor workforce with Voith for rehabilitation of all the remaining original units at Priest Rapids. Voith is the ideal choice to provide the required labor workforce due to their knowledge and experience in rehabbing the first six units. Voith and their workforce have successfully applied lessons learned since the beginning of this project and have consistently achieved success over the last three years.

In Q1 2024, Voith informed the District that the current billable rates under Contract 430-4045 were no longer financially sustainable to continue. Subsequently, the District began negotiations after the submission of Voith's new rate proposal. While conducting these negotiations with Voith, the District engaged in the evaluation of multiple alternatives to ensure that any agreement with Voith on new rates was in the best interest of the District.

Alternatives Considered:

The project team explored multiple options for completing the remaining work on Units 7-10:

1. **New Labor Contract:** This option involved bidding out the work under a new contract with different contractors. However, this would lead to substantial delays exceeding a year and introduce additional costs due to the time required for mobilization and impacts on other related contracts.
2. **Internal Labor:** Utilizing internal District labor was analyzed but found to be more expensive and time-consuming compared to continuing with Voith due to smaller crew sizes, lack of night shifts, and other internal challenges.
3. **Change Order with Voith:** Proceeding with a change order with Voith was determined to be the most cost-effective and least disruptive option, minimizing delays and maintaining continuity in the project schedule.

Justification: The original labor estimate for turbine/generator rehabilitation was created in 2016 with the best available information at that time. Since 2016 a lot of new information has become available about the condition of equipment and the necessary repairs in order to cost effectively reduce the District's risk and achieve safe, reliable and more efficient turbine/generators.

Since the contract was first awarded, several changes and additions have been made to the labor scope, all aligned with the project's goals. These changes are necessary to keep the project on schedule and prevent costly delays to other related contracts.

Since 2016, the following three areas have resulted in the most significant changes to the original labor forecast:

1. **Underestimation of Original Scope:** Initial estimates for the rehabilitation work were based on available data but did not account for unknown factors that became evident only after disassembling the first unit. With the completion of four unit rehabilitations, many of these unknowns have been addressed, but the additional scope must be integrated into the project.
2. **Supporting Roles:** The contract requires Grant PUD to provide crane support and Emergency Rescue Team (ERT) support during confined space work. The intensity of these roles has exceeded what Grant PUD staff can support, necessitating their inclusion in the labor contract instead of being provided by internal staff.
3. **Thrust Bracket Rehabilitation:** The full scope of rehabilitating the thrust bracket becomes apparent only after it is disassembled. With experience from multiple units, this scope is now better understood and accounted for in this change order.

Additionally, numerous smaller scope items have been added, divided into four categories:

- Rehabilitation of parts not included in Contract 230-2583 (5610 budgeted hours per unit)

- New scope items leveraging the current unit outage (3390 budgeted hours per unit)
- Safety improvements during rehabilitation or operation (460 budgeted hours per unit)
- Miscellaneous additions, including preparation work and safety training (3810 budgeted hours per unit)

These scope additions have extended the original 12-month schedule to 14 months and necessitated a night shift, adding a supervisor and additional millwrights, which were not part of the original manpower estimates.

Collaboration between the contractor and the project team has been crucial, especially in maintaining the outage schedule, ensuring efficient work, and monitoring crew size. The current revised schedule and estimated durations have been agreed upon by all parties, ensuring a smooth continuation of the project. Voith has been a reliable partner, especially in navigating challenges such as on-site management changes, safety support, COVID-19, and schedule modifications.

This contract was originally established on a time-and-materials basis due to the need for investigative work before defining a firm-fixed-price scope. With the project now more clearly defined, the team considered transitioning to a firm-fixed-price contract, but rebidding the contract at this stage would cause significant delays and potentially higher overall costs.

Also note within this change order, the District is updating contract language related to specific work force experience and qualifications to ensure clarity

Financial Considerations:

The total cost for Change Order No. 13 is \$79,535,551.56, which includes on-site labor, overtime, and management site coverage. The labor rates proposed by Voith have been negotiated. The rates have been evaluated and appear to be fair and reasonable based on the type of labor required for this contract. A total labor cost breakdown available below:

Total Labor Cost Table							
Position	Per Diem All Units	Unit 7	Unit 8	Unit 9	Unit 10	Total	Delta from Budget Forecast
Millwright	\$7,126,870.00	\$12,468,560.00	\$12,749,063.32	\$12,959,915.65	\$13,170,768.46	\$58,475,177.43	32%
Electrician	\$0.00	\$2,448,074.00	\$2,512,923.00	\$2,560,003.72	\$2,607,084.81	\$10,128,085.53	0%
Project Management Support	\$0.00	\$2,500,801.00	\$2,600,833.00	\$2,700,865.00	\$2,800,897.00	\$10,603,396.00	28%
Demobilization, Materials, Tools, and Equip.	\$0.00	\$0.00	\$0.00	\$0.00	\$328,892.60	\$328,892.60	9%
TOTALS	\$7,126,870.00	\$17,417,435.00	\$17,862,819.32	\$18,220,784.37	\$18,907,642.87	\$79,535,551.56	27%

Change Order History:

- Change Orders No. 1 – No. 9: Language modifications without financial impact.
- Change Order No. 10: Language changes and liquidated damages totaling \$75,000.
- Change Order No. 11: Increased the contract by \$15,820,834, bringing the total to \$75,876,052.
- Change Order No. 12: Revised the management pay structure without affecting the total contract value.

Legal Review: See attached email.

Recommendation:

Commission approval of Change Order No. 13 to Contract 430-4045 with Voith Hydro Inc. for \$79,535,551.56, resulting in a new contract total of \$155,411,603.56.

CHANGE ORDER
NO. 13

Pursuant to Section GC-12, the following changes are hereby incorporated into this Contract:

A. Description of Change:

1. The following paragraph shall be added to the end of Section GC-13, PAYMENT/RETAINAGE:

Per Diem compensation, if applicable, will be a set rate of \$110.00 per calendar day for each union Millwright plus applicable payroll taxes and a 15% markup. This is effective from the Notice To Proceed date for Unit 7. Contractor is required to furnish proof of Per Diem payments with each monthly invoice. The Per Diem rate is non-negotiable and will remain unchanged unless a rate modification is mutually agreed upon by Contractor and the Union. With each Notice to Proceed (NTP) issued, Contractor must provide an updated version of the union contract that includes the Per Diem provision. If the Contractor is not required to pay Per Diem, the District will stop any related payments. Contractor must notify the District promptly of any changes to the Union's Per Diem terms.

2. Replace INSTRUCTIONS TO BIDDERS, Section 12.B. in its entirety with the following:

B. Subject to its other rights, the District will issue separate Notices to Proceed for Units 2 through 10 as specified in Section SR-2. Upon the District's issuance of Notices to Proceed for Units 2 through 6, the Contractor must, within ten (10) days after receipt of each such Notice to Proceed, supply a Payment and Performance Bond in the amount of one hundred percent (100%) of the Contract Price attributable to the specified Unit.

For Units 7 through 10, the District will issue a Notice to Proceed as specified in Section SR-2, with such Notice to Proceed to be issued at least 30 days prior to the completion of the preceding Unit. The Contractor will not be required to issue a new Payment and Performance Bond, as the existing Bond, amounting to one hundred percent (100%) of the Contract Price attributable to the specified Unit, will be extended to cover the duration of work for each subsequent Unit, successively, until the commencement of activities in Unit 10. This extension is subject to the condition that the District issues the Notice To Proceed within the 30 days prior to the completion of the preceding Unit.

3. Replace INSTRUCTIONS TO BIDDERS, Section 12.C. in its entirety with the following:

C. In accordance with the terms of the Contract Documents, the Contractor shall furnish the District with a Warranty Bond for each unit subsequent to the District's Final Acceptance of the Work performed on each respective Unit.

4. Replace SR-13 CONTRACTOR'S FIELD PERSONNEL QUALIFICATIONS in its entirety with the following:

a. General:

The Contractor shall provide services of qualified Site Manager, Day Shift Site Supervisor, Night Shift Site Supervisor, Mechanical General Foreman, Mechanical Foreman(s), Electrical Foreman(s) and Toolman as specified in Section SR-24.

Contractor shall furnish the District with resume(s) of prospective personnel listed above. District reserves the right to check references and conduct verbal interviews with such prospective field personnel and reserves the right to accept or reject such prospective field personnel.

All field personnel provided by the Contractor shall be fluent in the English language, both written and verbal; shall be capable of expressing and understanding complex technical terms, engineering calculations, and concepts as set forth in specifications, drawings, and other Contract Documents; and shall be capable of effectively participating in technical meetings and giving clear, technical recommendations and advice to the District. Should the District find that the Contractor's field personnel do not meet the requirements stated herein, then the Contractor shall replace those individual(s) with individual(s) acceptable to the District.

Contractor shall submit daily reports in a format agreed to by the District to cover field activities.

During the start-up period, Contractor's field personnel may be required to support commissioning activities.

b. Site Manager

Contractor's Site Manager shall have a minimum of ten years' experience in the management of projects similar in size and scope to the above project description. The experience shall be spread over a minimum of two different projects.

c. Day Shift Supervisor Skill Level

Contractor's Day Shift Supervisor shall have a minimum of eight years' experience in the supervision of projects similar in size and scope to the above project description. The experience shall be spread over a minimum of two different projects.

d. Night Shift Supervisor Skill Level

Contractor's Night Shift Supervisor shall have a minimum of eight years' experience in the supervision of projects similar in size and scope to the above project description. The experience shall be spread over a minimum of two different projects.

e. Mechanical General Foreman

Contractor's Mechanical Foreman shall have a minimum of ten years' experience in projects similar in size and scope to the above project description. A minimum

of five of those years shall be in installation of similar types of equipment as detailed above.

f. Mechanical Foreman

Contractor's Mechanical Foreman shall have a minimum of five years' experience in projects similar in size and scope to the above project description. A minimum of two projects shall be in the installation of similar types of equipment as detailed above.

g. Electrical Foreman

Contractor's Electrical Foreman shall have a minimum of ten years' experience in the heavy construction industry. A minimum of five of those years shall be in installation of similar types of equipment as detailed above.

h. Toolman

Contractor's Toolman shall have a minimum of three years' experience in the heavy construction industry with knowledge, application and purchasing of tools used in similar construction trades.

i. Project Manager

Contractor's Project Manager shall have a minimum of five years' experience in the heavy construction industry with knowledge and application of project management methods and practices.

j. Journeyman Mechanical Personnel

Contractor's Journeyman Mechanical personnel shall have a minimum of one years' experience in projects in the heavy construction industry performing comparable work to the above project description. A minimum of one project shall be in the heavy industrial setting.

k. Journeyman Electrician

Contractor's Journeyman Electrician personnel shall have a minimum of one years' experience in projects in the heavy construction industry performing comparable work to the above project description. A minimum of one project shall be in the heavy industrial setting.

5. Replace Paragraphs B and D of SR-17 PRICE ADJUSTMENT with the following for Units 7-10 only:

Payments to the Contractor on Units 7-10 shall be adjusted for all activities at the issuance of the notice to proceed for the respective unit. The price adjustments will be adjusted in accordance with the following provisions and may be adjusted upward or downward depending on the indices defined below:

B. Site (Field) Labor Adjustment

1. Site Labor Index shall be the published Washington State prevailing Wage Rates for Grant County for Journeyman wages in Grant County for Millwrights, Electricians, Pipefitters, Painters and associated foreman (<https://secure.lni.wa.gov/wagelookup>), as determined and published semi-annually by the Washington State Department of Labor and Industries.
2. Base Site Labor Index shall be the semi-annual period which will be published by the Washington State Department of Labor and Industries in February 2024 and effective in March 2024.
3. Each Bid Unit Price for Site Labor shall be adjusted for any increase or decrease in the Site Labor Index that has occurred for the period between the Base Site Labor Index and the effective semi-annual period which is published by the Washington State Department of Labor and Industries for the date the work was performed.

D. Management

1. Management Cost shall be adjusted by the percent change in the Employer Costs for Employee Compensation CMU201000000000D (<https://data.bls.gov/series-report>), as determined and reported quarterly by the Bureau of Labor Statistics of the U.S. Department of Labor.
2. Base Management Cost shall be the Employer Costs for 2nd Quarter 2024.
3. The Bid Unit Prices for Management shall be adjusted for any percentage increase or decrease in the Employer Costs that has occurred between the Base and the NTP periods.

6. Replace SR-24 SKILL SET REQUIREMENTS in its entirety with the following:

The Contractor shall supply qualified craftsmen to accomplish the work described in this Section. Described below are the minimum requirements for each trade and or craftsman.

A. Mechanical Skill Requirements

1. A minimum of two mechanical personnel on each shift shall be overhead crane certified, a minimum of one mechanical personnel on each shift shall be mobile crane certified a minimum of one mechanical personnel on each shift shall hold a commercial driver's license.
2. Mechanical personnel shall be proficient in the use of precision measuring tools. Tools included shall be, but not limited to, micrometers of all types, dial indicators, precision optic levels, electric wire micrometers precision levels, and bore gauges.
3. Mechanical personnel shall be proficient in rigging and handling of large mechanical components. Experience with all types of rigging and handling equipment is required. Experience shall include, but not be limited to, synthetic slings, wire rope, swivel eyes, shackles, chain falls, turn buckles, lever hoists, chains and all rigging hardware
4. Mechanical personnel shall be familiar will all Revised Codes of Washington (RCW's) pertaining to lifting and rigging. Mandatory rules for flagging and signaling are included in the requirements.

5. Mechanical personnel shall be proficient at all commonly used processes and welding positions. Welders shall be certified for applicable process, position and material as spelled out in (AWS D1.1).
6. Mechanical personnel shall have an understanding of proper fit-up of assemblies with tight tolerances and precision clearances with abilities to assemble such components.
7. Mechanical personnel shall have experience with disassembly, repairs, and reassembly of large rotating machinery.
8. Mechanical personnel shall be experienced with the use of all types of air impact tools, hydraulic tools including bolt torquing and or tensioning equipment.
9. Mechanical personnel shall be capable of basic field machining functions. Functions shall include drilling and reaming holes with the use of Mag based drills and/or air driven drills. Personnel shall be capable of setting up drilling and reaming equipment in unique positions that may require fabrication of temporary engineered supporting devices.
10. Mechanical personnel shall be capable of operating portable field machining equipment. Machining equipment shall include, but not be limited to, boring bars, milling machines and lathes.
11. Mechanical personnel will have the ability to disassemble equipment, match mark, clean, inspect, repair, and re-assemble mechanical components.
12. Mechanical personnel will have the ability to read, understand and apply concepts to equipment as described in mechanical drawings.
13. Mechanical personnel will have the ability to understand piping systems, including drawing interpretation. Personnel will be able to disassemble, match mark, clean and seal ends of pipe for extended storage. Personnel will then be able to re-assemble piping systems after they have been disassembled for long periods of time. Ability to keep equipment in a clean and orderly fashion is required.
14. Mechanical personnel will have the ability to fabricate and or modify piping systems. Piping materials include, but are not limited to, copper, steel, stainless steel, galvanized steel, pvc and aluminum.
15. Mechanical personnel shall be capable of bending, fitting and installing tubing systems. Systems may be new or modified. Materials may be, but not be limited to, stainless steel and/or copper. Fittings will be, but not be limited to, compression, flanged, screwed, solder and swaged.
16. Mechanical personnel shall be capable of spray application of paint to steel surfaces. Personnel shall be capable of adapting to different application requirements for a wide variety of paints.

B. Electrical Skill Requirements

1. Electrical personal shall possess or are working towards through an apprentice program a Journeyman EL01 license.

2. Electrical personnel shall be familiar with Washington State Administrative Code (WAC), and comply with all appropriate sections of the Revised Code of Washington (RCW). Specifically pertaining to all sections of RCW 19.28RCW's. In general, Contractor shall comply with all laws as pertaining to installing electrical equipment, and deploying electrical workers in an industrial environment.
3. Electrical personnel shall be familiar with the latest NFPA70 NEC codes. (NFPA) National Fire Protection Association, (NEC) National Electric Code.
4. Electrical personnel shall be proficient in rigging and handling of large electrical components. Experience with all types of rigging and handling equipment is required. Experience shall include, but not be limited to, synthetic slings, wire rope, swivel eyes, shackles, chain falls, turn buckles, lever hoists, chains and all rigging hardware.
5. Electrical personnel shall be proficient in conveying large electrical components into tight locations with no overhead support. Experience with standard types of air platforms, skids, castors, and otherwise low profile heavy equipment handling is required. Experience shall include, but not be limited to, air pallets hardware.
6. Electrical personnel shall be familiar with installation of Rigid Metal Conduit (RMC) and Galvanized Rigid Conduit (GRC), fittings boxes and support and mounting hardware. Contractor's electricians, foreman, and or supervising personnel shall be proficient in conduit layout, routing, supporting, and cabinet termination. Contractor's electricians, foreman, and or supervising personnel shall be proficient in specifying a conduit bill of materials. Contractor's electricians, foreman, and or supervising personnel shall be proficient in purchasing required conduit and hardware.
7. Electrical personnel shall be capable of pulling cable up to 1,000 feet while maintaining safe cable pulling tensions. Required, ability to transport manage and rig large cable spools of hi gauge cable, and pull cable in conduit, and tray over multiple elevations, safely and without damage to equipment personnel. Cable tray work requires appropriate personal protective equipment (PPE) to manage installation in the presence of other live in-service cables. Common tray cable designations contain 0-130V, 600V, and 13.8KV.
8. Electrical personnel shall be capable of pulling fiber optic cable up to 1,000 feet while maintaining safe cable pulling tensions. Required, ability to manage fiber optic cable installations while maintaining correct pulling tensions, and without exceeding cable bend radius. Required, ability to secure fiber optic cable without kinking cable. Not permitted, use of cable ties and other support hardware which may create any force on the cables, potentially kinking the fiber optics.
9. Electrical personnel shall be capable of basic field machining functions, as required to mount electrical equipment on metal and concrete surfaces. Functions shall include drilling and reaming holes with the use of Mag based drills and/or air driven drills. Personnel shall be capable of setting

up drilling and reaming equipment in unique positions that may require fabrication of temporary supporting devices.

10. Contractor electricians, foreman, and or supervising personnel shall be proficient at deploying managing mobilizing and demobilizing all parts. Required, disassemble store, and rehabilitate electrical parts which will be reused. Required, set up and manage local storage of all conduit fittings and hardware. Special attention shall be given to prevent the loss of reused parts. Contractor is responsible to manage item list and locations for all parts.
11. Contractor electricians, foreman, and or supervising personnel shall be proficient at deploying managing mobilizing and demobilizing all tools and work spaces. Required: setup and maintain work space in a professional manor with minimum obstructions to surrounding work and ongoing operation of adjacent powerhouse equipment. Required: clean up garbage and scrap items on a routine basis. Maintain tools in proper condition. Keep walk ways and isles clear. Route cords away from walkways and isles or provide cord protection as required.
12. Electrical personnel shall have experience with disassembly, repairs, and reassembly of industrial class electrical equipment.
13. Electrical personnel shall have the ability to disassemble equipment, match mark, clean, inspect, repair, and re-assemble electrical components.
14. Electrical personnel shall have the ability to modify existing, and or build new surface mounted electrical equipment for operator control panels.
15. Electrical personnel shall have the ability to modify existing, and or build new back panel mounted electrical control panels.
16. Electrical personnel shall have the tools and skills to perform work on District electrical equipment:
 - Low voltage instrumentation 0-50V and cable gauges as low as 22AWG
 - Grounded 115VAC power and control cables
 - Ungrounded 130VDC power and control cables
 - Ungrounded 600VAC power cables up to 500AWG
 - Medium voltage 13.8KV shielded cable, up to 500AWG
 - Bare copper grounding systems up to 500AWG
17. Electrical personnel shall be able to read, understand and apply concepts to equipment as described in electrical drawings.
18. Electrical personnel shall wear appropriate PPE for all tasks.
19. Electrical personnel shall comply with Contractor and District clearance procedures.
20. Electrical personnel shall be familiar with wire termination and wire labelling methods.

21. Electrical personnel shall be proficient with the disassembly, cleaning, and reassembly of electrical bus joints. This includes, but is not limited to, joints that include any combination of copper, aluminum, and silver bus materials; joints that are bolted, welded/brazed, and sliding contact surfaces; and the appropriate use of electrical joint compounds.
22. Electrical personnel shall be proficient with the welding and brazing equipment and procedures required to complete the work within this Contract.
23. Electrical personnel shall be proficient with the inspection, cleaning, handling, and replacement of electrical bus insulators.
24. Electrical personnel shall be proficient with the following electrical tests and test equipment:
 - Insulation resistance and polarization index testing (Megger)
 - AC high-potential testing
 - DC high-potential testing
 - Power factor (Doble) testing

C. Foreman Skill Requirements

1. Mechanical foremen shall be capable of reading and understanding mechanical drawings, specifications and procedures.
2. Electrical foreman shall be capable of reading and understanding electrical drawings, specifications and procedures.
3. All foremen shall be able to receive instructions and directions from the District Representative and/or their supervisor, then convey the information to the appropriate crew for implementation.
4. All foremen shall be able to manage multiple work areas and crews while being spread out over large areas performing different tasks.
5. All foremen shall be able to communicate clearly and concisely with supervisors and District personnel.
6. All foremen shall be able to coordinate work activities with each other and with other contractors working in the same area. Foremen shall attend weekly coordination meetings to plan the upcoming week's activities. Foremen shall then coordinate their activities with each other and other contractors continually throughout the week. Coordination of crane usage shall be done by the foreman at the weekly meeting and throughout the week.
7. All foremen shall be capable of managing the paper work associated with work assignments in an orderly and efficient manner. The process will include keeping track of actual manhours for each work assignment. This information will be provided in digital form.
8. All foremen shall have the ability to respond to unexpected conditions in calm and rational ways working through the situations with all effected parties.

9. All foremen shall have the ability to maintain harmonious relationships with the District's in-house union employees.
10. All foremen shall have experience in industrial installation work where the crew size varies, due to work schedule, type and as required to meet deadlines, in coordination with large mechanical assemblies. Required: demonstration of crew supervision for crew sizes from 10 to 50 workers.
11. Foremen shall provide a daily log or journal to the District that will include daily activities, problems encountered, problem solutions, future expectations.

D. Site Manager Skill Level

1. The Site Manager will be the primary point of contact on-site and work with the District Representative to execute all fieldwork under this Contract. The site Manager will direct all daily activities of the workforce based on the assigned Work Order(s).
2. The Site Manager shall be capable of providing expertise on all aspects of this project. Expertise shall include technical knowledge, manpower requirements and management, schedule integration, and ability to work with the District Representative.
3. The Site Manager shall be required to work closely with the District Representative. The site Manager will provide consultation and advice to the District Representative. The guidance will be technical and include order of operation recommendations, manpower level requirements and adjustments, and schedule recommendations.
4. The Site Manager shall provide the District Representative with a report on the actual manhours expended on each work order as described in the district schedule. This report shall be submitted in a digital format that the district can modify.
5. The Site Manager shall provide the District Representative with reports on all field measurements, inspections, and any other field data taken. The report shall be in a digital format that can be stored electronically.
6. The Site Manager shall provide a detailed daily report to the District Representative, including daily activities, problems encountered, solutions, deviations from the approved Work Order, and future expectations. This report may incorporate the above reports into one.
7. The Site Manager shall participate in weekly, or as otherwise directed by the District Representative, scheduling meetings. The site Manager will provide planned look-ahead work tasks for current and upcoming Work Order assignments, recommendations on schedule adjustments based on current activities and technical expertise, schedule risks, and schedule gains and delays realized.
8. The Site Manager shall provide a weekly percentage complete report on the work tasks as agreed upon by the District Representative.

E. Night Shift Supervisor Skill Level

1. The Night Shift Supervisor will be the primary point of contact on-site during the night shift. The Night Shift Supervisor will direct all daily activities of the workforce based on the assigned Work Order(s) and guidance of the Site Manager.
2. The Night Shift Supervisor shall be capable of providing expertise on all aspects of this project. Expertise shall include technical knowledge, manpower requirements, and management, schedule integration.
3. The Night Shift Supervisor shall provide the District Representative inspection reports on all field measurements, inspections, and other field data. The report shall be in a digital format that can be stored electronically.
4. The Night Shift Supervisor shall provide a detailed daily report to the District Representative and the Site Manager, including daily activities, problems encountered, solutions, deviations from the approved Work Order, and future expectations. This report may incorporate the above reports into one.
5. The Night Shift Supervisor shall participate in weekly, or as otherwise directed by the District Representative, scheduling meetings if their work schedule allows.

F. Day Shift Supervisor Skill Level

1. The Day Shift Supervisor will be the primary point of contact on-site during the Day shift. The Day Shift Supervisor will direct all daily activities of the workforce based on the assigned Work Order(s) and guidance of the Site Manager.
2. The Day Shift Supervisor shall be capable of providing expertise on all aspects of this project. Expertise shall include technical knowledge, manpower requirements, and management, schedule integration.
3. The Day Shift Supervisor shall provide the District Representative inspection reports on all field measurements, inspections, and other field data. The report shall be in a digital format that can be stored electronically.
4. The Day Shift Supervisor shall provide a detailed daily report to the District Representative and the Site Manager, including daily activities, problems encountered, solutions, deviations from the approved Work Order, and future expectations. This report may incorporate the above reports into one.
5. The Day Shift Supervisor shall participate in weekly, or as otherwise directed by the District Representative, scheduling meetings.

G. Toolman Skill Requirements (Tools, Supplies, Consumables, Materials)

1. Toolman shall be capable of maintaining a spreadsheet with tool inventory and condition, and shall work closely with the District's Procurement Officer to ensure timely procurement of any required tools and equipment.

2. Toolman shall be capable of contacting outside vendors and tool suppliers to do needed repairs in accordance with Section SR-3.
 3. Toolman shall be capable of maintaining an inventory of materials and consumable supplies as they are being used throughout the project, and shall work closely with the District's Procurement Officer to ensure timely procurement of the required materials.
 4. Toolman shall be capable of contacting outside vendors to supply materials, tools, and equipment as needed and approved by the District in accordance with Section SR-3.
 5. Toolman shall be stationed on site and housed in a District-specified location within the powerhouse.
6. For Units 7-10 only, the following rates provided on Exhibit "A" Bid Form shall be replaced in its entirety with the following:

Description	Unit Price	Unit Type
Labor Hours - Straight Time		
Millwright	\$ 147.74	/Hour
Electrician or Electrician Subcontractor	\$ 155.31	/Hour
Foreman Millwright	\$ 157.58	/Hour
General Foreman Millwright	\$ 162.59	/Hour
Foreman Electrician	\$ 186.61	/Hour
Labor Hours - Overtime		
Millwright	\$ 198.89	/Hour
Electrician or electrician Subcontractor	\$ 213.72	/Hour
Foreman Millwright	\$ 213.72	/Hour
General Foreman Millwright	\$ 221.23	/Hour
Foreman Electrician	\$ 279.92	/Hour
Night Shift Labor Hours - Straight Time		
Millwright	\$ 147.74	/Hour
Electrician or electrician Subcontractor	\$ 170.95	/Hour
Foreman Millwright	\$ 157.58	/Hour
Night Shift Labor Hours - Overtime		
Millwright	\$ 198.89	/Hour
Foreman Millwright	\$ 213.72	/Hour
Project Management		
Site Manager	\$ 48,346	/Month
Day Shift Supervisor	\$ 44,904	/Month
Night Shift Supervisor	\$ 44,904	/Month

Field Management Support	\$ 9,458	/Month
Project Management Support	\$ 2,811	/Month
Toolman	\$ 17,140	/Month
Office Support Person	\$ 11,065	/Month
Misc.		
Demobilization	\$ 266,392.60	Lump Sum
Materials, Tools and Equipment	\$ 50,000.00	Lump Sum
Subcontractors	\$ 12,500.00	Lump Sum

The preceding rates are valid at the Notice to Proceed for Unit 7 and subject to adjustments in accordance with SR-17 pricing. The weekend overtime rates specified in Change Order No. 8 are no longer applicable for the term of this contract.

- B. Time of Completion: The revised completion date shall be November 15, 2029.
- C. Contract Price Adjustment: As a result of this Change Order, the not to exceed Contract Price shall be increased by the sum of \$79,535,551.56 plus applicable sales tax. This Change Order shall not provide any basis for any other payments to or claims by the Contractor as a result of or arising out of the performance of the work described herein. The new total revised maximum Contract Price is \$155,411,603.56, 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

Voith Hydro, Inc.

By: _____

By: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____



Change Order Table

Contract Title: Powerhouse Upgrade Field Work

Contract No.	430-4045	Award Date:	2/9/2016
Project Manager:	John Wallace	Original Contract Amount:	\$59,980,218.00
District Representative (If Different):		Original Contract completion:	Based on NTP
Contractor:	Voith Hydro, Inc.	Total CO Cost Change Amt	\$15,895,834.00

CO#	Change Description	Approved by	Approval Date	Revised Completion Date	Cost Change Amount	Revised Contract Amount	Authority Level Tracking
1	Replace the Unit 1 Milestone completion table in Section SR-2.A	Eng Supvr	03/03/16	N/A	\$0.00	\$59,980,218.00	\$0.00
2	Replace Section GC-30, Bond in Lieu of Retainage	Hydro Eng Supvr	05/09/16	N/A	\$0.00	\$59,980,218.00	\$0.00
3	Add a paragraph to Section SR-19 to allow Contractor to subcontract the electrician work to Garrett Electric on Unit 1 only.	Hydro Eng Supvr	07/28/16	N/A	\$0.00	\$59,980,218.00	\$0.00
4	Add CIP language to contract.	Hydro Eng Supvr	09/26/16	N/A	\$0.00	\$59,980,218.00	\$0.00
5	Revise Section SR-19 to allow Contractor to subcontract the electrician work to Garrett Electric on Units 2-10.	Dept Mgr	06/26/17	N/A	\$0.00	\$59,980,218.00	\$0.00
6	Add a double the straight time rate for all work performed on Sundays, holidays and any hours worked in excess of a 12 hour shift.	Dept Mgr	07/12/17	N/A	\$0.00	\$59,980,218.00	\$0.00
7	Add a mileage rate to reimburse the Contractor for travel costs incurred as part of the required recurrent antigen testing related to COVID-19.	Senior/Plant Mgr	04/16/21	N/A	\$0.00	\$59,980,218.00	\$0.00
8	After-the-Fact CO to add management OT rates to compensate Contractor for work performed in September 2021.	Senior/Plant Mgr	11/04/21	N/A	\$0.00	\$59,980,218.00	\$0.00
9	Increase the NTE amount of NTP No. 4.	Dept Mgr	01/14/22	N/A	\$0.00	\$59,980,218.00	\$0.00
10	Add language to Sections GC-10, GC-11 and GC-13, revise Section GC-18, add language to Section GC-20, revise Section SR-2 to add LD's, replace Section SR-9, revise Sections SR-13 and SR-24, remove Addendum No. 3 changes, Add CSR's to the Contract, and Increase the NTE Contract Price.	Senior/Plant Mgr	07/28/22	N/A	\$75,000.00	\$60,055,218.00	\$75,000.00
11	Increase the Contract Price to add additional funds for Unit 6.	Comm	09/20/23	N/A	\$15,820,834.00	\$75,876,052.00	\$15,895,834.00
12	Updating Personnel Rates and SR-24 Skill Set Requirements	Dept Mgr	11/07/23	N/A	\$0.00	\$75,876,052.00	\$0.00
13	Extend the Contract Completion Date and Update Sections GC-13, ITB 12.B, ITB 12.C, SR-13, SR-17, SR-24, and Exhibit "A" Bid Form.	Comm		N/A	\$79,535,551.56	\$155,411,603.56	\$79,535,551.56
Total Change Order Cost Change Amount					15,895,834.00		

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to approve and execute insurance renewal coverages on or before November 1, 2024.

3495

MEMORANDUM

10/2/2024

To: Rich Wallen, General Manager

Via: Bonnie Overfield, CFO
Glen Pruitt, Senior Manager Risk and Compliance
Tracy Johnson, Manager Enterprise Risk Management

From: Brianna St. Marie, Senior Risk Analyst

Subject: 2024-2025 Insurance Renewals

Purpose

Grant PUD renews its property and liability insurance coverage annually on November 1st. The District's insurance broker, Brown & Brown, is currently engaged in marketings for Grant PUD's insurance coverage and will provide a proposal detailing quoted premiums for its various insurance policies. We are recommending to Rich Wallen, CEO/General Manager, that we proceed with procuring the insurance outlined below (subject to pricing changes before final binding). Further, due to the compressed timeline to approve, bind, and pay for premiums a motion for the Commission's delegation of authority approval to the CEO/General Manager to execute coverages on or before November 1, 2024. Remaining consistent with past practice, this motion of delegation is requested because at least one of the individual policies exceeds the delegation authority and requires commission approval.

Discussion

The premiums for insurance coverage for our 2024-2025 insurance renewals are expected to total in the range of \$5M - \$5.25M (estimated) to replace the current 2023-2024 coverage. This total represents an estimated 10% - 15% increase over last year's premium total.

The insurance market continues to experience increased premiums due to large payouts and concerns around wildfire risks and other liability claim pay outs. The current losses being experienced by the insurance community are centered around wildfire payouts and claims related to Per- and polyfluoroalkyl substances (PFAS), commonly known as 'forever chemicals'.

There is no doubt that there have been significant fire losses over the last few years, most recently – the Maui wildfire, which resulted in payouts of around \$4B. The Hawaiian Electric Company acknowledged that it's powerlines were the cause of the fire when energized powerlines fell during a high-wind storm. Due to their involvement, the Hawaiian Electric Company has agreed to pay for approximately half (~\$2B) of the payouts from over 400 claims and lawsuits (Misra & Roy, 2024).

Thousands of lawsuits are pending nationwide, and several large settlements have already been reached over PFAS health concerns. Studies have shown that PFAS may be linked to several adverse health impacts such as cancers and various diseases and can be found in over 10,000 substances used to make products stain and grease-resistant. (Seaman, 2023)

The following table outlines the budget pricing for coverage for the 2024-2025 renewal:

Policy	Carrier(s)	Deductible	Coverage Limit	2024 Premium	Est 2025 Premium	Estimated Difference	Estimated Percent Change
Excess Liability (1 st Layer)	AEGIS	\$2M	\$35M	\$1.3M	\$1.5M	\$200,000	15%
Excess Liability (2 nd Layer)	EIM	\$35M	\$25M	\$224,129	\$251,024	\$26,895	12%
Non-Owned Aircraft Liability	Allianz	\$2,500	\$10M	\$10,750	\$12,040	\$1,290	12%
Railroad Protective Liability	Fair American Insurance		\$2M	\$5,400	\$6,048	\$648	12%
Foreign Liability	CNA	\$1,000	\$1M	\$2,000	\$2,240	\$240	12%
Property	Multiple	\$2.5M	\$200M	\$2.436M	\$2,801M	\$365,400	15%
D&O	AEGIS	\$500K	\$10M	\$86,432	\$86,432	\$0	0%
Fiduciary	AEGIS	\$10K	\$10M	\$24,504	\$27,444	\$2,940	12%
Crime	Hiscox	\$15K	\$3M	\$9,688	\$10,850	\$1,162	12%
Employment Practices Liability	Intact Specialty	\$100k	\$2M	\$23,189	\$25,972	\$2,783	12%
Special Crime	Hiscox		\$2M	\$3,936	\$4,408	\$472	12%
Cyber	AEGIS	\$1M	\$10M	\$396,539	\$400,504	\$3,965	10%
Total				\$4.522M	\$5.127M	\$603,305	13%
*Please note, premiums and carriers above are quotes and are subject to change prior to binding							

Grant PUD uses replacement value for its property coverage and as such the District's statement of values (SOV) must be reviewed, updated, and submitted annually. Each year, Risk contacts stakeholders for each of the listed classes of assets to review and determine the current replacement value based on any significant updates or additions. After the replacement value is updated on our end, the District's brokers then apply a multiplier sourced from Marshall Swift, BUREC, and Handy Whitman indices to capture any inflationary factors.

The value of Grant PUD's property portfolio increased 3.7% from last year's reported values based on the changes listed below. The most significant changes in this year's property values are caused by several power production projects such as the completion of the right bank improvement project, continued upgrades to the priest rapids turbine/generators, and upgrades to the spillway emergency diesel generator and station service.

On the Power Delivery side, there were several new substations that were completed in this last year such as in Quincy, Royal City, and Beverly Burke. Additionally, the replacement values of our mobile substations as well as mobile equipment and vehicles were updated to remain consistent with current prices.

Summary of Values	2023-2024 Values	2024-2025 Values	% Change in Values	Comments
Wanapum Dam	\$1,432,736,253	\$1,436,736,253	0.3%	New Station Service Gear
Priest Rapids Dam	\$1,492,508,528	\$1,531,508,529	2.6%	Right Embankment project completed, Turbine/Generator Upgrades, Spillway emergency diesel generator and station service upgrades
Quincy Chute	\$45,585,884	\$45,585,884	0%	No Significant Change
PEC Headworks	\$39,478,033	\$39,478,033	0%	No Significant Change
Substations	\$459,874,998	\$544,417,245	18.4%	Four new substations
Service Centers, Warehouse, Transportation	\$137,363,950	\$137,788,950	0.3%	No Significant Change
Offices	\$46,777,313	\$46,777,313	0%	No Significant Change
Residential	\$8,540,518	\$8,762,855	2.6%	No Significant Change
Recreation/Cultural	\$51,740,795	\$51,740,795	0%	No Significant Change
Hatcheries/Fish Acclimation	\$40,189,253	\$40,266,402	0.2%	No Significant Change
Fiber Huts	\$1,185,828	\$1,185,828	0%	No Significant Change
Switchyards/Radio Sites	\$31,594,357	\$31,650,907	0.2%	Security improvements
Mobile Equipment	\$18,409,721	\$29,150,638	58.3%	Current Vehicle totals
Mobile Substations	\$3,250,000	\$4,238,000	30.4%	Increased cost of Replacement
Fine Arts	\$5,000,000	\$5,000,000	0%	No Significant Change
Total	\$3,814,235,433	\$3,954,287,632	3.7%	

Recommendation

We will not have final figures until the end of October; therefore, we are seeking the Commission's approval to delegate authority to Rich Wallen, CEO/General Manager, to make the final approval for binding insurance coverages for limits exceeding delegation to facilitate our November 1, 2024, deadline. The overall program will be reviewed and approved additionally by Bonnie Overfield, CFO, and policies bound consistent with delegated authority and past practice. To the extent final costs fall outside of the range detailed above, the CEO/General Manager shall consult the Board prior to executing binding coverage. The Commission will be notified of the final insurance renewal premiums after binding coverage is complete.

References

- Misra, S., & Roy, M. (2024, August 05). *Hawaiian Electric agrees to pay about half of \$4 billion Maui wildfire settlement*. Retrieved from Reuters: <https://www.reuters.com/world/us/hawaiian-electric-others-agree-4-bln-maui-wildfire-settlement-2024-08-03/>
- Seaman, S. M. (2023, August 30). *Insurers Face Large PFAS-Related Losses: A Primer on Forever Chemical Regulation, Liabilities, and Insurance Coverage Issues*. Retrieved from Hinshaw Law: <https://www.hinshawlaw.com/newsroom-updates-insights-for-insurers-insurers-face-large-pfas-related-losses.html>

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute Real Estate Purchase and Sale Agreement between Langshaw Investments LLC, a limited liability company and Public Utility District No. 2 of Grant County, Washington a municipal corporation for the acquisition of a parcel of land consisting of approximately 10 acres, more or less, and commonly known as a portion of Grant County Assessor Parcel No. 161328000 in that portion of NW-NE-SW Section 18 Township 18 North, Range 27, Grant County, Washington in the amount of Twelve Thousand Dollars (12,000).

MEMORANDUM

October 14, 2024

TO: Richard Wallen, General Manager/Chief Executive Officer

VIA: Fallon Long, Chief Enterprise Shared Services Officer FML

FROM: Sheila Wald, Project Manager SMW

SUBJECT: Real Property Acquisition to support future Service Center Development Requirements

Purpose:

To request Commission approval to execute Real Estate Purchase and Sale Agreement (the "Agreement") between LANGSHAW INVESTMENTS, 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 10 acres, more or less, and commonly known as Grant County Assessor Parcel No. 161328000 in that portion of NW-NE-SW Section 18 Township 18 North, Range 27, Grant County, Washington (hereinafter "the mitigation site") in the amount of Twelve Thousand Dollars (\$12,000). This land is located in a state-identified shrub-steppe biodiversity corridor, as described further below.

Discussion:

Grant PUD is planning to develop real property in Grant County to construct a new Ephrata Service Center ("the project") that will utilize the entire parcel where the project will occur. The new facility design and construction will continue through 2025, pending permitting actions. This project development will be subject to state and local agency permitting review of the project environmental impacts pursuant to the Grant County Critical Areas Code and Washington State Environmental Policy Act (SEPA). The project site intended for the new Ephrata Service Center development is located in a Fish and Wildlife Habitat Conservation Area comprised primarily of shrub steppe habitat (sagebrush, grasses and some invasive vegetation). Therefore, pursuant to State and County laws and specifically the County's Critical Areas regulation, Grant PUD solicited and procured a critical habitat and species report to survey and analyze the project development environmental impacts. The report concluded the project site is a mix of medium and low-quality shrub steppe habitat. Pursuant to Grant County Unified Development Code 24.08, Grant PUD is required to mitigate adverse impacts to the critical area to obtain permitting approvals. Grant PUD must compensate for the impact by replacing, enhancing, or providing substitute resources or environments.

This mitigation requirement has been in place for over two decades in Grant County and applies not only to development in the County but also development within each of the cities and towns within the County. Often there is not enough available property onsite and so offsite options are considered.

Additionally, shrub steppe habitat has received increased attention at the state and local level in recent years. Washington State Department of Fish & Wildlife has developed a shrub-steppe inventory and database and also identified shrub-steppe biodiversity corridors that provide connectivity for wildlife among the higher quality habitat. Grant County has been working for at least the past year on a shrub-steppe mitigation bank to provide for mitigation by developers paying in-lieu fees for impacts from proposed development. The fees would then be used to purchase land or conservation easements that

permanently protect habitat from future development, targeting those state identified biodiversity corridors described above. Further, Grant County has a Voluntary Stewardship Program that is also focused on shrub-steppe land conservation, with this program being administered by the Columbia Basin Conservation District.

Justification:

Purchase of this real property mitigation site will allow Grant PUD to meet, in part, mitigation requirements by providing an offsite shrub-steppe habitat protection area for the project impacts on the project development site. This property, along with others being purchased, can be part of a suite of properties adjacent to public land that can provide long-term habitat conservation mitigation to offset impacts to the development site.

If request to execute the Agreement is not approved, Grant PUD must attempt to identify and pursue other offsite mitigation options to offset project impacts on the development site. This may delay permitting actions, which in turn will delay the new Ephrata Service Center project construction. Delaying planned construction actions will incur significant additional costs and expenses to Grant PUD.

Several property options varying in acreage size and location are being considered to meet mitigation requirements. Properties are evaluated on quality of critical habitat area, cost and location. Acquiring this property from Langshaw Investment LLC is an important next step for Grant PUD customers and employees and all Grant County residents to meet state and local mitigation requirements and allow construction of the new Ephrata Service Center to continue as planned. It builds on the first 20 acre property being purchased for mitigation (Nestor) and adds 10 more acres (for a current total of 30 acres) and one or more other properties will be recommended in the near future for PUD acquisition to meet the mitigation requirement. Typically, the County and state require at least a 2:1 mitigation acreage to offset impacts. Grant PUD team members are trying to find the highest quality habitat for the lowest price to see if a lower ratio of mitigation impact (1.5:1 or 1:1) would be acceptable. This Langshaw property could provide credit at less than the 2:1 ratio, but we will not know for certain what the actual credit will be until the habitat mitigation plan has been prepared and the permitting process is completed.

Financial Considerations:

This property is being purchased at the fair market value of the desired acreage. The new Ephrata Service Center project has sufficient approved capital budget to fund the purchase of this property from LANGSHAW INVESTMENTS LLC

Contract Specifics:

See attached Purchase and Sale Agreement.

Recommendation:

Commission approval to execute Real Estate Purchase and Sale Agreement (the "Agreement") between LANGSHAW INVESTMENTS LLC, a limited liability company and PUBLIC UTILITY DISTRICT NO.2 OF GRANT COUNTY, WASHINGTON a municipal corporation for the acquisition of a parcel of land consisting of approximately 10 acres, more or less, and commonly known as a portion of Grant County Assessor Parcel

No. 161328000 in that portion of NW-NE-SW Section 18 Township 18 North, Range 27, Grant County, Washington in the amount of Twelve Thousand Dollars (\$12,000).

Legal Review: See attached e-mail.

REAL ESTATE PURCHASE AND SALE AGREEMENT

This Real Estate Purchase and Sale Agreement (the "Agreement") is dated _____, 2024, and is entered into by and between LANGSHAW INVESTMENTS, LLC, a limited liability company ("Seller") and PUBLIC UTILITY DISTRICT NO.2 OF GRANT COUNTY, WASHINGTON a municipal corporation ("Buyer").

Seller wishes to sell and Buyer wishes to purchase the Property, as defined below, upon the following terms and conditions:

1. The Property.

(a) The property to be purchased by Buyer (the "Property") shall consist of (i) that certain parcels of land consisting of approximately 10 acres, more or less, and commonly known as a portion of Grant County Assessor Parcel No. 161328000, that portion of NW- NE- SW Section 18, Township 18, Range 27, Grant County, Washington; and (ii) all improvements thereon (the "Project"); and (iii) all personal property owned by Seller located at said real property, as set forth on the inventory to be furnished by Seller to Buyer pursuant to this Agreement; and (iv) all shrubs, trees, and plants thereon; and (v) all oil, gas, water and mineral rights and shares of stock pertaining to water or mineral rights, whether or not appurtenant thereto, owned by Seller; and (vi) all easements, rights of way, and other rights appurtenant thereto; and (vii) all permits and contract rights relating to the operation of the Property. If the exact boundaries and acreage of the Property is not known as of the date of mutual execution hereof, Buyer and Seller shall mutually agree on same during the period described in Section 7(a) below. If the Property does not constitute a separate, legal, buildable lot which has been segregated for property tax purposes, Seller shall accomplish all actions necessary to render the Property in such condition on or before the expiration of the period described in Section 7(a) below.

2. Closing. "Closing" shall mean the date on which the general warranty deed with full warranties of title transferring title to the Property from Seller to Buyer is recorded in the official records of the County in which the Property is situated. Closing shall occur on or before the date which is thirty (30) days after Buyer's waiver of all the contingencies set forth in Sections 7 below, or such other date as may be mutually agreed upon by the parties, at the offices of Stewart Title Company (the "Escrow Agent") located in Ephrata, Washington. If Closing has not occurred prior to the date that is one hundred twenty (120) days after mutual execution hereof (the "Outside Date for Closing") for any reason other than a default by Buyer or Seller hereunder, then this Agreement shall automatically terminate, and the parties shall have no further liabilities or obligations toward each other under this Agreement.

3. Consideration. The consideration to be paid to Seller by Buyer for purchase of the Property (the "Purchase Price") shall be a total of Twelve Thousand Dollars (\$12,000) and shall be payable all in cash at Closing.

4. Title.

(a) Preliminary Title Report. Buyer shall, at Buyer's expense, obtain a preliminary title report applicable to the Property (the "Preliminary Title Report") issued by Stewart Title Company (the "Title Company"), together with a copy of all items indicated as exceptions in such Preliminary Title Report.

(b) Condition of Title. At Closing, Seller shall convey fee simple title to the Property to Buyer by general warranty deed, subject only to the items indicated on the Preliminary Title Report which have been approved by Buyer.

(c) Evidence of Title. Seller shall, at Seller's expense, provide Buyer with evidence of Buyer's title to the Property in the form of an owner's ALTA standard coverage policy of title insurance, Form B 1970 (revised 10/17/70), issued by the Title Company containing only those exceptions approved by Buyer with a liability limit equal to the Purchase Price. Seller also agrees to provide affidavits and indemnities in standard form required by the Title Company to remove from the title policy to be issued at Closing the standard preprinted exceptions for unrecorded leases and mechanics liens. Notwithstanding anything to the contrary herein, Seller shall remove at or before Closing, and the Permitted Exceptions shall not include, any financial encumbrances or monetary liens encumbering the Property (except to the extent caused by Buyer).

5. Delivery for Approval. Within ten (10) working days of the execution of this Agreement, Seller shall deliver to Buyer for Buyer's approval as to form and content, the following:

(a) An inventory of all personal property (if any) to be transferred to Buyer.

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

(c) Copies of all construction and equipment warranties affecting the Property.

(d) All plans, specifications, surveys, soils reports and calculations related thereto and appraisals of the Property, environmental and hazardous waste reports and studies relating to the Property, and any other reports or studies relating to the physical condition of the Property or adjacent properties prepared prior to the date of this Agreement in the possession or subject to the control of Seller.

(e) All certificates of occupancy, building permits, architect's statements of completion and similar documents in possession or subject to the control of Seller evidencing appropriate regulatory approval of the completion of construction of improvements at the Property.

(f) To the extent the Property or this transaction is subject to natural hazard disclosure requirements or requires a transfer disclosure statement pursuant to applicable law, a disclosure statement in conformity with the provisions of applicable law for such disclosures.

6. Costs to Buyer and Seller; Closing Documents.

(a) Seller shall pay the following:

- (i) Cost of the policy of title insurance, and all endorsements thereto, as called for in Section 4 hereof;
- (ii) One-half of the escrow fee and document preparation;
- (iii) Any broker's commissions;
- (iv) Real estate transfer taxes; and
- (v) Costs of Seller's counsel.

(b) Buyer shall pay one-half of the escrow fee and document preparation, cost of the preliminary title report, the costs of Buyer's counsel and any costs or fees for recording the general warranty deed.

(c) Real estate taxes and assessments, rents, water, and other utilities shall be prorated as of Closing.

(d) At Closing, Seller shall deliver to Escrow Agent the general warranty deed and a warranty bill of sale conveying to Buyer the personal property; and

(e) At Closing, Buyer shall pay the Purchase Price and shall execute such other documents reasonably required to close the transaction contemplated by this Agreement.

(f) Negotiated Items and Costs to Seller and Buyer:

- (i) TBD
- (ii)

7. Conditions Precedent to Buyer's Obligation.

(a) Buyer's obligation to perform under this Agreement is subject to and contingent upon Buyer's approval or determination in its sole discretion of the following, all to occur within ninety (90) days after the date of mutual execution hereof:

- (i) Title Condition. Buyer's review and approval of the Preliminary Title Report, together with all exceptions listed therein.
- (ii) Documents. Buyer's review and approval of all items required to be delivered to Buyer pursuant to Section 5 of this Agreement.
- (iii) Board of Commission Approval. Receipt of approval from Buyer's Board of Commissioners of all business terms of this Agreement by adoption of a resolution providing for the same.

(iv) Fair Market Value. Buyer has determined the fair market value of the property meets or exceeds the purchase price.

(v) Regulatory Approval. Receipt of approval from all applicable regulatory authorities of Buyer's purchase of the Property and of any related opening, closing or relocating of Buyer's facilities.

(vi) Legal Approval. This offer is conditional upon Buyer's approval of the terms of this Purchase and Sale Agreement. Unless Buyer provides notice in writing delivered to Seller within 10 business days following the date of Seller's acceptance that the condition has been fulfilled or waived, this offer shall be null and void. This condition is included for the benefit of Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller within the time period stated herein.

Unless otherwise stated by Buyer in writing, failure to timely approve or disapprove any of the above-referenced matters shall constitute disapproval.

8. Warranty of Title. Seller is the lawful owner of the Property, and has the full right, power, and authority to sell, transfer and convey the Property to Buyer and warrants that the Property is not subject to any liens, claims, security interests, encumbrances, taxes, or assessments, however described or denominated.

Seller hereby agrees to defend, protect, indemnify, and hold Buyer harmless from any and all loss, damage, liability or expense, including attorneys' fees and costs, Buyer may suffer as a result of any breach of or any inaccuracy of the foregoing warranty. This warranty shall survive Closing.

Buyer hereby agrees to indemnify and hold Seller harmless from any and all loss or injury arising as a result of the Buyer's inspection of Property.

9. Possession. Upon execution of this Agreement, Buyer, through its authorized agents, personnel and employees, shall be entitled to enter upon the Property during normal business hours to make such inspections or studies as Buyer may deem reasonably necessary, including without limitation soils and hazardous waste studies. Full possession of the Property shall be delivered to Buyer by Seller at Closing. Seller shall furnish to Buyer all information that Buyer may reasonably request. If this transaction fails to close, Buyer shall restore the Property at its sole cost to substantially the same condition as when Buyer commenced its studies and tests. If upon full possession of the property, the Buyer chooses not to develop the property then the Seller has right of first refusal to purchase property back from Buyer at the price of which it was acquired within two years of closing or appraised value after the two years; except that the property shall not be sold back to the Seller for less than Buyer purchase price.

10. Seller's Remedy. Following waiver of all of Buyer's contingencies set forth in Sections 7(a), 7(b) and 7(c) above, if this transaction fails to close due to a breach by Buyer hereunder, the sole and exclusive remedy available to Seller as a result of such breach shall be to terminate this Agreement, whereupon Buyer shall deliver to Seller, at no cost to Seller, copies of

any reports, studies, or tests performed by Buyer or its agents in connection with this transaction (excluding financial feasibility studies or other proprietary information). Seller hereby waives any other remedy it may have.

11. Buyer's Remedies. If this transaction fails to close due to a breach by Seller hereunder, the sole and exclusive remedy available to Buyer as a result of such breach shall be to terminate this Agreement, whereupon Seller shall deliver to Buyer, at no cost to Buyer, copies of any reports, studies, or tests performed by Seller or its agents in connection with this transaction (excluding financial feasibility studies or other proprietary information). Buyer hereby waives any other remedy it may have.

12. Miscellaneous.

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

- (i) personally delivered; or
- (ii) placed in the United States mail, properly addressed and with full first-class postage certified mail with a return receipt. Said notices, consents and approvals shall be deemed received on the earlier of the date actually received, or forty-eight (48) hours after being mailed as aforesaid.

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

To Seller: Edward & Deborah Langshaw
 Langshaw Investments, LLC
 7276 Dick Road 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) Time of the Essence. Time is of the essence in connection with each and every provision of this Agreement.

(e) Choice of Law. This Agreement and each and every related document is to be governed by, and construed in accordance with, the laws of the state in which the Property is situated.

(f) Successors. Except as otherwise provided herein, the provisions and covenants contained herein shall inure to and be binding upon the heirs, successors and assigns of the parties hereto. However, Seller shall have no right to assign any of its rights, privileges, duties or obligations under this Agreement or to convey or transfer the Property prior to Closing, without the prior written consent of Buyer. Buyer shall be entitled to assign Buyer's interest under this Agreement.

(g) Section Headings. The headings of the Sections of this Agreement are inserted solely for convenience of reference, and are not intended to govern, limit or aid in the construction of any term or provision hereof.

(h) Waiver. No claim of waiver, consent or acquiescence with respect to any provision of this Agreement shall be made against either party except on the basis of a written instrument executed by or on behalf of such party. A receipt by Seller of any payment due hereunder, with knowledge of any breach of this Agreement, shall not be deemed a waiver of such breach. The party for whose benefit a condition is herein inserted shall have the unilateral right to waive such condition.

(i) Further Actions. Buyer and Seller agree to execute such further documents, and take such further actions, as may reasonably be required to carry out the provisions of this Agreement, or any agreement or document relating hereto or entered into in connection herewith.

(j) Counterparts. This Agreement may be executed in counterparts, each of which, when combined, shall constitute one single binding agreement.

IN WITNESS WHEREOF, the undersigned have executed this document as of the day and year first hereinabove written.

SELLER: Langshaw Investments, LLC
Deborah Langshaw
Dated: 10/8/24

BUYER: [OBJ]

PUBLIC UTILITY DISTRICT NO 2 OF
GRANT COUNTY, WASHINGTON

| Dated: _____

By _____

STATE OF WASHINGTON
County of GRANT

I hereby certify that I know or have satisfactory evidence that Deborah Langshaw signed this instrument, on oath stated that they are/were authorized to execute this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in this instrument.

DATED: 10/8/24



Terry L. Moore
Notary Public

Residing at Moses Lake

My appointment expires: 12/10/26

STATE OF WASHINGTON
County of Grant

I hereby certify that I know or have satisfactory evidence that Rich Wallen signed this instrument, on oath stated that they were authorized to execute this instrument and acknowledged it to be their free and voluntary act for uses and purposes mentioned in this instrument.

DATED: _____

Notary Public
Residing at _____
My appointment expires: _____

For Commission Review – 10/22/2024

RESOLUTION NO. XXXX

A RESOLUTION ESTABLISHING GRANT PUD'S CELL PHONE POLICY

Recitals

1. Grant PUD desires to establish a Cell Phone Policy to provide guidance to Grant PUD personnel regarding the use of Grant PUD-owned and employee-owned Cell Phones; and
2. Grant PUD's Executive Leadership has reviewed the Cell Phone Policy attached hereto and recommends that it be adopted.

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

Section 1. The attached Cell Phone Policy is hereby approved and adopted and shall be effective December 20, 2024.

Section 2. The General Manager is hereby authorized to modify the policy from time to time subject to the following limitations:

- A. The policy shall at all times be subject to and consistent with the requirements of all applicable laws and regulations.
- B. Any proposed changes to the policy shall be submitted to Grant PUD's Commission at least twenty (20) days prior to being put into effect.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 12th day of November 2024.

President

ATTEST:

Secretary

Vice President


Commissioner

Commissioner

MEMORANDUM

October 10, 2024

TO: Rich Wallen, General Manager/Chief Executive Officer

FROM: Tod Ayers, Chief HR Officer 

SUBJECT: Establish a Cell Phone Policy and update Cell Phone Stipend Practices

Purpose: To request Commission approval to establish a formal Cell Phone Policy, effective December 20, 2024.

Discussion: Grant PUD has provided cell phones and cell phone stipends to eligible employees for many years. Initially, any reference to this program was very brief and could be found in the District Equipment and Facilities Policy. That language was removed several years ago with the intent to move it to a standalone policy with clear guidelines and expectations.

In 2006/2007, when Grant PUD began offering an optional cell phone stipend to eligible employees, the monthly stipend ranged from \$40.00 to over \$150, depending on the business needs of the employee. This structure was in line with cell phone plans at that time, when standard plans did not include unlimited voice, text, and/or data. In April 2022, the stipend was revised to \$44.99 for all future requests, with existing stipends remaining at their previously approved amounts. This inconsistency puts Grant PUD at risk of noncompliance with IRS guidelines regarding fringe benefits. To ensure compliance and equity, employees receiving a stipend will all receive the same amount as of the effective date of this policy.

The purpose of this new Cell Phone Policy is to formally establish:


- Guidelines regarding the eligibility and use of Grant PUD-provided cell phones and the eligibility and expectations of receiving a cell phone stipend.
- A monthly stipend of \$60.00 for all eligible employees as of the policy effective date. This amount has been bargained with IBEW.

This new policy will be effective on December 20, 2024, which is the first pay period of 2025.

All employees will be notified of this policy before the effective date. Employees with a Grant PUD-issued cell phone will be required to acknowledge the new policy in PolicyTech. Employees receiving a stipend will be required to sign a Cell Phone Stipend Agreement.

Recommendation: Commission approval of the attached Cell Phone Policy, effective December 20, 2024.

Legal Review: See attached email.

Effective Date: 12/20/2024	Version: 1 Supersedes: N/A	Related Documents: Cell Phone Request Form, Cell Phone Stipend Agreement
		<h1>POLICY</h1>
Approved by: Commission		Regulation: IRS Notice 2011-72, IRS Employer's Tax Guide to Fringe Benefits, Resolution XXXX
Policy Owner: Chief HR Officer		Policy Categories: Information Technology and Employment, Benefits & Workplace

HR-DW-POL-300 – CELL PHONE POLICY

1. Scope

This policy applies to all Grant PUD employees.

2. Policy Statement

Grant PUD strives to provide employees with the right technology tools they need to do their jobs. Grant PUD recognizes Cell Phones as a valuable resource in conducting Grant PUD business in an effective and timely manner. The purpose of this policy is to provide guidelines regarding the use of Grant PUD-owned and employee-owned Cell Phones.

3. Definitions

Cell Phone: For purposes of this policy, the term “Cell Phone” is defined as any handheld electronic device with the ability to receive and/or transmit voice, text, and/or data without a cable connection. This excludes laptops and tablets.


Stipend: All employees who receive a Stipend shall receive a monthly amount of \$60.00 paid to the employee by Grant PUD to compensate the employee for the use of their personal Cell Phone to conduct Grant PUD business. The Stipend will be considered a non-taxable fringe benefit to the employee.

4. Eligibility

- A. Grant PUD may provide an employee with a Grant PUD-issued Cell Phone or a Cell Phone Stipend when there are substantial business reasons for doing so and such accessibility is necessary to perform their official job duties. Promoting goodwill, boosting morale, and/or attracting prospective employees are not substantial business reasons.
- B. Employees receiving a Stipend that was approved prior to the effective date of this policy must submit an approved Cell Phone Stipend Agreement to HR within 60 days following the effective date of this policy. If approved in accordance with this policy, the Stipend will continue at the amount specified in Section 3. If an approved Cell Phone Stipend Agreement is not received by HR within 60 days following the effective date of this policy, the employee will no longer receive a Stipend.

5. Grant PUD-provided Cell Phones

- A. Grant PUD may issue a Cell Phone to an eligible employee for work-related communications. Grant PUD-owned Cell Phones will be used for authorized Grant PUD


Effective Date: 12/20/2024	Version: 1 Supersedes: N/A	Related Documents: Cell Phone Request Form, Cell Phone Stipend Agreement
		<h1>POLICY</h1>
Approved by: Commission		Regulation: IRS Notice 2011-72, IRS Employer's Tax Guide to Fringe Benefits, Resolution XXXX
Policy Owner: Chief HR Officer		Policy Categories: Information Technology and Employment, Benefits & Workplace

business only. Such requests must be approved by the employee's immediate supervisor via Grant PUD's [Cell Phone Request Form](#).

- B. Employees in possession of Grant PUD-owned Cell Phones are expected to protect the equipment from loss, damage, or theft. Upon resignation or termination of employment, the employee will return the Cell Phone to Grant PUD.
- C. Employees have no right to privacy with respect to the use of Grant PUD-owned Cell Phones. This includes any and all voicemails, social media messaging, emails, text messages, call history and/or any other information stored on a Cell Phone, regardless of whether stored in the device or in remote sites and/or with remote services. Grant PUD has the right to inspect any and all Grant PUD-owned Cell Phones used by employees for such information at any time.

6. Stipend for Use of Personal Cell Phone

- A. If an employee's immediate supervisor determines an employee is eligible to carry a Cell Phone for Grant PUD business, the employee may, upon approval of the applicable Senior Manager or above, receive a monthly Stipend for use of their personal Cell Phone in lieu of receiving a Grant PUD-owned Cell Phone. Stipends must be requested by the employee and approved via Grant PUD's Cell Phone Stipend Agreement.
- B. A Stipend shall be a voluntary program between Grant PUD and the employee. It's not meant to provide full coverage for the employee's personal Cell Phone, plan cost, or usage. It is intended to reimburse the employee for the use of their personal Cell Phone to conduct Grant PUD business. When an employee elects to receive a Stipend to offset their personal Cell Phone expense rather than a Grant PUD-provided Cell Phone, the employee assumes all risk to the device and is solely responsible for the protection and replacement of such personal property. Grant PUD may change or cancel Stipends as deemed reasonable due to business usage and/or employee work-related responsibilities.
- C. Employees who receive a Stipend are responsible to install and update software necessary to meet authentication requirements, software deemed necessary to execute employee job responsibilities, and software to mitigate cyber security concerns.
- D. Employees who receive a Stipend will immediately report their personal Cell Phone number to their immediate supervisor and maintain their current number in Grant PUD's employee directory. Failure to do so may result in termination of the Stipend.
- E. Employees who receive a Stipend are responsible for obtaining and maintaining their personal Cell Phone with a provider of their choice. Grant PUD will not be responsible in


Effective Date: 12/20/2024	Version: 1 Supersedes: N/A	Related Documents: Cell Phone Request Form, Cell Phone Stipend Agreement
		<h1>POLICY</h1>
Approved by: Commission		Regulation: IRS Notice 2011-72, IRS Employer's Tax Guide to Fringe Benefits, Resolution XXXX
Policy Owner: Chief HR Officer		Policy Categories: Information Technology and Employment, Benefits & Workplace

any way for an employee's personal Cell Phone and associated service, including but not limited to damage, loss, insurance, accessories, and/or delinquent payments.

- F. Employees who receive a Stipend will immediately notify their immediate supervisor and Payroll if their service is cancelled for any reason and they no longer have a Cell Phone. Employees are prohibited from continuing to collect a Stipend when the device is no longer active or no longer needed for the performance of the employee's job responsibilities. The employee will reimburse Grant PUD for any Stipend payments received when the employee did not have service.
- G. A Stipend is neither permanent nor guaranteed. Grant PUD reserves the right to revise or cancel Stipends at any time.

7. General Responsibilities

- A. Employees carrying a Grant PUD-owned Cell Phone or receiving a Stipend agree to have the Cell Phone accessible and available during their scheduled work hours or while on call or standby or other times they may be required to be available for Grant PUD business.
- B. Employees are expected to follow applicable local, state, and federal laws and regulations regarding the use of Cell Phones at all times.
- C. Employees will comply with the requirements of Grant PUD's Vehicle/Asset Usage Policy. Employees who are charged with traffic violations resulting from the use of their Cell Phone while driving will be solely responsible for all liabilities that result from such actions.
- D. Grant PUD will not provide hands-free devices except in certain Grant PUD vehicles that use Cell Phone technology as backup communications media (e.g., line trucks).
- E. Cell Phones should be turned off or set to silent or vibrate mode during meetings, conferences, and in any circumstance where incoming calls may be disruptive.
- F. Employees are strongly encouraged to regularly back up data on their Cell Phone and ensure all operating system and application updates and patches have been installed. Additionally, employees are expected to comply with Grant PUD practices on emails appearing to be malicious in nature and exercise caution.
- G. If a Cell Phone becomes lost, stolen, sold, or tampered with, the employee must call the Service Desk immediately. The Service Desk may delete that remote account and create a new user account, lock, or erase the remote device or Grant PUD data and access to such, or take other appropriate actions to protect Grant PUD's and the employee's information. Grant PUD is not responsible for personal data or information on Cell Phones.

Effective Date: 12/20/2024	Version: 1 Supersedes: N/A	Related Documents: Cell Phone Request Form, Cell Phone Stipend Agreement
		<h1>POLICY</h1>
Approved by: Commission		Regulation: IRS Notice 2011-72, IRS Employer's Tax Guide to Fringe Benefits, Resolution XXXX
Policy Owner: Chief HR Officer		Policy Categories: Information Technology and Employment, Benefits & Workplace

H. The use of a Cell Phone to conduct Grant PUD business, whether the Cell Phone is owned by Grant PUD or the employee, creates a public record subject to disclosure under the Washington State Public Records Act. This includes, but is not limited to, text messages, voicemail, and email. Such records shall be retained in accordance with Grant PUD's public records policies and state retention schedules.

8. Risks/Risk Owners

This policy, along with other control mechanisms, is intended to mitigate the following risks:

- Business Interruption Risk
- Integrity Risk
- Cybersecurity Risk
- Regulatory Risk
- Human Resources/Benefit Administration
- Reputation Risk

Risk Owners:

- Grant PUD supervisors
- Grant PUD employees who carry a Grant PUD-owned Cell Phone or receive a Stipend.

9. Review/Revision History

Date	Description
12/20/2024	Effective date



CELL PHONE STIPEND AGREEMENT

Employees who hold positions that include the need for a cell phone may receive a Cell Phone Stipend to reimburse for business-related costs incurred when using their personal Cell Phone. The Stipend will be considered a non-taxable fringe benefit to the employee. For more information, refer to the Cell Phone Policy.

Employee Name:	
Title:	
Cell Phone No.:	

By signing below, I acknowledge and agree as follows:

- I have read, understand, and agree to the responsibilities associated with receiving a Cell Phone Stipend and agree to abide by the associated policies, which include but is not limited to:
 - Cell Phone Policy
 - Vehicle/Asset Usage Policy
 - Information Classification
 - Technology Acceptable Use Policy
 - Managing Grant PUD Records
- I understand that entering into this Agreement is voluntary.
- I understand this Agreement, in whole or in part, is not a condition of employment and can be terminated by either side upon written notice.
- I understand that using a personal Cell Phone for Grant PUD business may result in personal records and/or the Cell Phone being subject to public disclosure, and/or disclosure during litigation.
- I will notify Grant PUD immediately if my Cell Phone is ever lost or stolen.
- I agree to have my Cell Phone accessible and available during my scheduled work hours, while on call or standby, or other times that I may be required to be available for Grant PUD business.
- I am willing to use my personal Cell Phone for official Grant PUD business. Grant PUD will provide me a monthly Stipend, which will be included in my regular paycheck.

Employee

Signature: _____

Date: _____

Supervisor

Senior Manager

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Submit the completed form to HumanResources@gcpud.org.

For Commission Review – 10/22/2024

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to approve the purchase of 4 parcels at Rd. W. NE and Rd. 16 NE totaling approximately 960 acres at a cost of \$1,056,000.00 plus closing costs of \$2,000.00 and including honoring the existing farm lease through August 2025.

xxxx

MEMORANDUM

Date: October 9, 2024

TO: Richard Wallen, General Manager/Chief Executive Officer

VIA: John Mertlich, Chief Commercial Officer
Andrew Munro, Senior Manager of ESM Industry & Market Research

FROM: Kevin Marshall, Project Specialist X
David Dempsey, Engineer IV
Bryce Greenfield, Engineer IV

SUBJECT: Purchase of 4 Parcels at Rd. W NE and Rd. 16 NE

Purpose: To request Commission approval to purchase 4 parcels at Rd. W NE and Rd. 16 NE totaling approximately 960 Acres at a cost of \$1,056,000.

The purchase of these parcels provides the District with land to construct and operate generation facilities to help meet the future need for both energy and capacity. These parcels can potentially accommodate a 12-unit Small Modular Reactor (SMR) project, as well as a solar farm and a battery energy storage system (BESS). Additionally, this land could potentially be used for other energy projects as well.

The parcels are shown on the attached map and the parcel numbers are:

- 181441000
- 181442000
- 181442001
- 181437000

Discussion:

The purchase of these parcels provides sufficient land for a major electric energy park. The land can potentially accommodate an SMR facility, a solar farm, as well as a BESS all in one common area. The District is currently evaluating a 12-unit X-energy Xe-100 project within Grant County. The SMR project requires approximately 350 acres of land. In addition, there is another 600 acres that can be used for a solar farm, BESS, mitigation land, or other energy facilities.

The following attributes were evaluated during selection of this site:

- Available land area >500 acres
- Land needs to be relatively flat.
- Water availability for 100 gpm continuously, year-round.
- Acceptable geotechnical conditions for construction of an SMR (prefer rock near the surface) with a shear wave velocity >1000 fps at the bottom of the foundations.
- Outside of seismic risk zones (>5 miles from mapped faults).

- Shrub steppe mitigation requirements.
- Cultural and Fish & Wildlife walkdowns were conducted and the potential mitigation requirements are low.

Justification:

The purchase of these parcels provides the District with a viable site to construct future electrical generation and capacity facilities. Staff have evaluated numerous sites across Grant County that would be viable for an energy park and it has been difficult to find available sites that meet our needs. Finding large, contiguous parcels of land has been the greatest challenge.

Financial Considerations:

The total cost to purchase the land is \$1,056,000, plus miscellaneous closing costs estimated to be \$2,000.

The benefit to the District is the ability to construct an energy park that could potentially include an SMR, a solar farm, and BESS. It is difficult to find sufficient land for an energy park that is acceptable for constructing an SMR or a solar farm for seismic, transmission, size, water requirements, and other constraints. This land meets the requirements that are necessary.

The price is considered fair and reasonable based on several factors:

- The original listing price was \$1,250,000 with a closing within 45 days of acceptance.
- The appraisal estimated a market value of \$862,000.
- Staff originally offered \$862,000 with a closing date 90 days from the date of acceptance.
- The seller countered with \$1,056,000 with a closing date 45 days from the date of acceptance.
- Staff countered with a 60-day closing from the date of acceptance.
- It was agreed that a closing date of November 29, 2024 was acceptable to both buyer and seller.
- There are very few parcels of land of this size that meet the siting requirements for an SMR.
- The geotechnical conditions (rock near the surface) are good for siting an SMR on this site. To the best of our knowledge, the Nuclear Regulatory Commission (NRC) has never approved siting a nuclear facility on piling. Other sites that staff evaluated would most likely require piling or other mitigation.
- This site is approximately 15 miles from the airport, which makes the probability of an aircraft impact significantly less and will make the regulatory requirements for siting an SMR relatively straight forward.
- Most of the land has been used for dryland wheat farming. The shrub steppe remediation will be minimal. Shrub steppe mitigation on past projects has required a 2:1 mitigation. For a 350-acre SMR site that could have required 700 acres of mitigation. That represents considerable savings over other sites we have evaluated.

- Finding land for energy projects is getting more and more difficult. Developers are looking for land to build solar farms in Grant County. The price of parcels likely will continue to escalate.

These parcels do not have any significant water rights. It is estimated that the water rights to meet the 100-gpm demand that is anticipated for an SMR will cost between \$300,000 and \$ 800,000. Staff and our water rights consultant met with Washington Department of Ecology (DOE) on October 8, 2024 and it is their belief that if we can purchase an existing water right in the Odessa Aquifer it could be transferred to this property and converted from a seasonal agricultural use to a year-round industrial use. New water rights are not available in this area and the canals are being extended to provide water to farms that currently have water rights to the Odessa Aquifer. The goal is to reduce the withdrawal from this aquifer to stop the drop in the water table.

A concern of DOE, and ours, is whether the static water level in the Odessa Aquifer has declined 300 or more feet in the vicinity since 1967. While DOE has said that they have not shut anyone off due to passing this threshold identified in WAC 173-130A-070, they would and/or could deny a water right change into an area that has surpassed this threshold based on the impairment test. The Hydrogeologist from DOE is going to review water level data in their hard copy files for nearby wells and provide that to us so that we can review and determine where the water level currently is in relation to the maximum 300 foot drop threshold. This information will be conveyed once it is acquired.

Once the irrigators to the north and south of the Road W properties are connected to surface water through the Odessa Groundwater Replacement Program, which is currently being worked on, it is believed that the rate of groundwater decline at the project location could slow, but would likely not stabilize or reverse. The District will need to plan on drilling a deep well (2000'+) or wells to tap the water, if authorized. If a suitable, available water right is identified, it is recommended that water right change application processing occur through the Grant County Water Conservancy Board, as that would be the most expedient, but may still take up to a year to accomplish. Also the DOE permitting Supervisor indicated that our application would most likely qualify for priority processing due to our project being a carbon-free/CETA energy resource.

The Project ID is 103778 and the Cost Center is KA5000. This project will draw money out of the Climate Commitment Act (CCA) Funds and will not draw from the capital budget. This was approved by the internal CCA fund evaluation committee. Attached is the CCA funds memo and approval email.

Contract Specifics:

The land is being purchased under a standard real estate agreement. The seller will provide title insurance as part of the agreement. There is an existing lease that comes with the property for dryland wheat farming. The lease runs through August of 2025. Staff recommends that the

lease be honored since the District will not be performing any construction on the site for a few years.

Recommendation: Commission approval to purchase 4 parcels at Rd. W NE and Rd. 16 NE totaling approximately 960 Acres at a cost of \$1,056,000, plus closing costs of \$2,000, and including honoring the existing farming lease through August of 2025.

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

MEMORANDUM

Date: August 26, 2024

To: John Mertlich, Chief Commercial Officer
Bonnie Overfield, Chief Finance Officer
Jennifer Sager, Senior Manager of Accounting
Angelina Johnson, Senior Manager of Treasury/Financial Planning
Amy Thompson, Senior Financial Analyst
Cesar Castro-Leon, Financial Analyst

From: Andrew Munro, Senior Manager of ESM Industry & Market Research
Kevin Marshall, Project Specialist

Subject: CCA Credits – For Land Acquisition in Grant County near Marlin, WA

Summary:

We recommend allocating approximately \$1.5 million from the Climate Commitment Act (CCA) funds to purchase 960 acres of land near Marlin, WA, in Grant County. This investment will support the exploration of carbon-free energy projects in alignment with the state’s carbon reduction goals, address growing energy demands, and provide benefits to our low-income customers and ratepayers

Background:

Grant County is uniquely positioned to be a key player in Washington State's shift to a carbon-free energy future. With its rich natural resources and potential for new energy generation projects, Grant PUD is well-placed to create innovative solutions that align with the ambitious carbon goals set by the Climate Commitment Act (CCA) and the Clean Energy Transformation Act (CETA). Furthermore, the region’s rising energy demand underscores the need for strategic investments in infrastructure and land to support these goals.

Analysis:

This memo outlines the drivers and recommendation to utilize approximately \$1.5 million of CCA funds to purchase 960 acres near Marlin, Washington in Grant County, aimed at facilitating the exploration of carbon-free energy solutions and related utility services to address both current and future energy demands in the region.

This investment will serve the following purposes:

1. **Advancing De-Carbonization Initiatives:** The acquired land can be utilized for the testing and development of carbon-free energy technologies such as solar, battery storage, small modular reactors (SMRs), and other supply-side energy resource options. In addition to energy generation, the land acquisition can facilitate the expansion of utility services to meet the growing energy demands in Grant County and the surrounding region. This includes the development of infrastructure for transmission, distribution, and storage of renewable energy, ensuring reliable and sustainable power supply for our customers. These initiatives will enable us to leverage the county's natural resources effectively while reducing carbon emissions in alignment with state carbon goals.
2. **Enabling Low-Income Customer Benefit:** Beyond energy generation and delivery, the land acquisition could pave the way for expanding utility services, particularly benefiting low-income customers in Grant

County and adjacent areas. Investments in energy efficiency and demand response programs, alongside initiatives like net metering and community solar projects will enhance affordability and accessibility to clean energy solutions, thus alleviating financial burdens on vulnerable populations.

3. **Ensuring Ratepayer Benefit:** Investing in this land acquisition aligns with the broader objective of optimizing ratepayer benefits. By strategically allocating resources towards retirement of allowances for carbon-emitting generation and offsetting purchase power expenses, we ensure a cost-effective transition towards carbon-free energy. This enhances the economic viability of our initiatives and fosters long-term sustainability in utility operations, which ultimately benefits our ratepayers.

Investing in land acquisition for carbon-free energy development and utility service expansion demonstrates our commitment to advancing de-carbonization initiatives, enabling low-income customer and ratepayer benefit, and fulfilling the objectives outlined in the CCA and CETA. This proactive approach will help us to achieve the state's carbon goals, and position Grant PUD and Washington State as a leader in clean energy innovation and sustainability.

The land can potentially be used for energy generation projects such as a solar farm, battery storage, an SMR project, or other technologies.

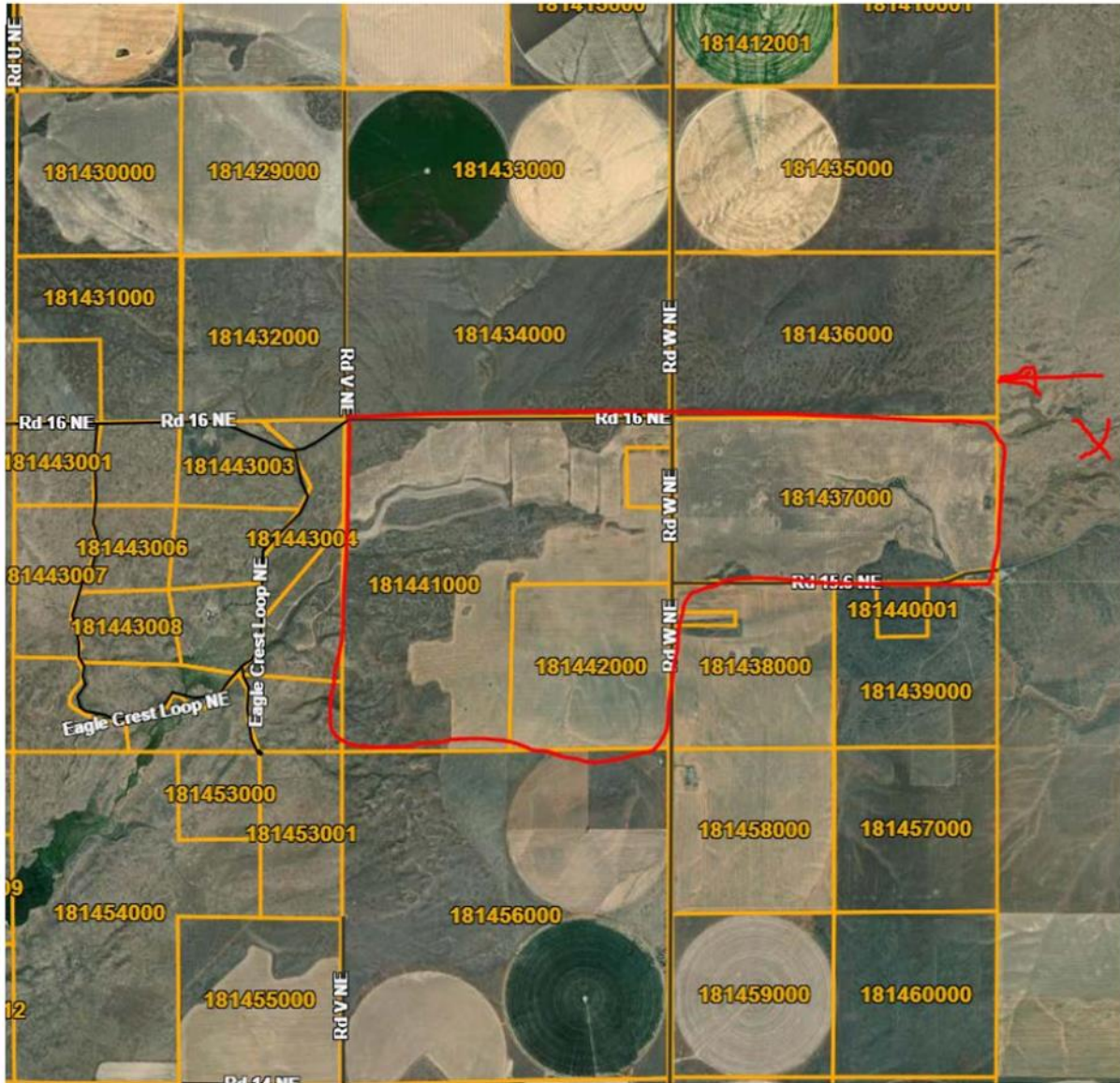
The following evaluations are in process and will be completed before the purchase of the properties are finalized:

- Land Appraisals
- Title report
- Land use review
- Meet and bounds survey
- Cultural evaluation
- Fish and Wildlife evaluation
- Access evaluation
- General soils evaluation
- Water availability and water rights evaluation (water rights will be purchased separately)

Recommendation:

We recommend the allocation of approximately \$1.5M from the CCA funds for the purchase of 960 acres of land near Marlin, WA in Grant County. Acquiring this land in Grant County represents a strategic investment towards advancing carbon-free energy solutions, meeting state carbon goals, and accommodating future energy needs of our customers.

(Attachment)



Marlin properties all owned by: Johnson Family Farms, LLC

15904 Road W NE, Marlin, WA 98832

81441000, 181442000, 181442001 (640 acres) (\$875,000)

0 Rd 15.6 & Road W NE, Marlin, WA 98832

181437000 (320 acres) (\$375,000)

From: Jennifer Sager <Jsager@gcpud.org>
Sent: Friday, September 20, 2024 1:50 PM
To: Andrew Munro <Amunro@gcpud.org>
Cc: John Mertlich <jmertlich@gcpud.org>; Kevin Marshall <Kmarsha@gcpud.org>; CCA Credits <ccacredits@gcpud.org>
Subject: RE: CCA Credits - Land Acquisition Memos

Andrew,
I have review the memos and approve. Please supply the Initiative and associated Project ID(s) if applicable.

Thank you

Jennifer Sager
Senior Manager Accounting
OFFICE 509.793.1456
EMAIL jsager@gcpud.org



grantpud.org

From: Andrew Munro <Amunro@gcpud.org>
Sent: Monday, August 26, 2024 2:49 PM
To: John Mertlich <jmertlich@gcpud.org>; Bonnie Overfield <Boverfi@gcpud.org>; Jennifer Sager <Jsager@gcpud.org>; Angelina Johnson <Ajohnso@gcpud.org>; Amy Thompson <athompson@gcpud.org>; Cesar Castro-Leon <ccastroleon@gcpud.org>
Cc: Kevin Marshall <Kmarsha@gcpud.org>
Subject: CCA Credits - Land Acquisition Memos

Hello,

For your review and action, please see the attached:

1. CCA Credits Land Memo that recommends utilizing an initial \$200,000 of Climate Commitment Act (CCA) funds to investigate and acquire land in Grant County.
2. CCA Credits Marlin Land Memo that recommends allocating approximately \$1.5 million from the Climate Commitment Act (CCA) funds to purchase 960 acres of land near Marlin, WA, in Grant County.

Thank you,

Andrew Munro
Senior Manager – Industry & Market Research
Energy Supply Management

OFFICE 509.793-1552
CELL 509.668.0430
EMAIL amunro@gcpud.org



grantpud.org

Andrew Munro

From: Mitchell Delabarre
Sent: Wednesday, October 9, 2024 8:45 AM
To: Kevin Marshall; Leah Mauceri; David Dempsey
Cc: John Mertlich; Andrew Munro
Subject: Re: Rd W Commission Memo.docx

Kevin,
The memo looks good and ready for Commission review.
Mitch

From: Kevin Marshall <Kmarsha@gcpud.org>
Sent: Wednesday, October 9, 2024 3:55 AM
To: Mitchell Delabarre <Mdelaba@gcpud.org>; Leah Mauceri <Lmaucer@gcpud.org>; David Dempsey <Ddempsey@gcpud.org>
Cc: John Mertlich <jmertlich@gcpud.org>; Andrew Munro <Amunro@gcpud.org>
Subject: Rd W Commission Memo.docx

Mitch- can I get a legal review on this? I'm trying to make the Commission packet today.

Thanks,
KJM