

A G E N D A
GRANT COUNTY PUBLIC UTILITY DISTRICT
30 C Street SW – Commission Meeting Room
Ephrata, Washington
COMMISSION MEETING
Wednesday, November 12, 2025

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 28, 2025

2. Regular Agenda

9104 – Resolution Adopting Regulatory Accounting for Climate Commitment Act (CCA) Allowance Proceeds.

9105 – Resolution of the Commission of Public Utility District No. 2 of Grant County, Washington, Calling Certain Outstanding Bonds of the Electric System for Redemption Prior to Maturity; and approving other matters Related Thereto.

Motion authorizing payment of non-compliant purchase from RACOM, invoice number 18760 dated June 17, 2024, in the amount of \$22,709.34. (3540)

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute new Contract Agreement 130-12765A with Burns and McDonnell Engineering, Inc. in the amount not to exceed \$4,000,000.00. (3541)

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute new Contract Agreement 130-12765B with Electrical Consultants, Inc. in the amount not to exceed \$5,000,000.00. (3542)

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute new Contract Agreement 130-12765C with HDR Engineering, Inc. in the amount not to exceed \$5,000,000.00. (3543)

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute new Contract Agreement 130-12765D with SEL Engineering Services, Inc. in the amount not to exceed \$3,000,000.00. (3544)

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute new Contract Agreement 130-12765E with Stanley Consultants, Inc. in the amount not to exceed \$2,000,000.00. (3545)

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute new Contract Agreement 130-12765F with Toth and Associates, Inc. in the amount not to exceed \$4,000,000.00. (3546)

3. Review Items For Next Business Meeting

XXXX – Resolution Amending Grant PUD’s Non-Bargaining Compensation Policy and Superseding Resolution 8971 Relating to Grant PUD’s Non-Bargaining Compensation Policy.

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 28, 2025

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

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.

A round table discussion was held regarding the following topics: TEA (The Energy Authority) business meeting travel to Tulsa, OK.

Trade association and committee reports were reviewed.

An executive session was announced at 9:30 a.m. to last until 10:00 a.m. to discuss pending litigation pursuant to RCW 42.30.110(1)(i). The executive session concluded at 10:00 a.m. and the regular session resumed.

Ross Hendrick, Director of Environmental Affairs, and Ryan Brownlee, Heather Ostenson, Joshua Seyfried, Pacific Engineering, presented the Environmental Affairs Business Report.

The Commission recessed at 10:35 a.m.

The Commission resumed at 10:45 a.m.

Terry McKenzie, Director of Telecom and Fiber, and Terence Johnson, Manager Telecom and Fiber Services, provided the Telecom and Fiber Business Report.

Colin Fay, Senior Accountant, and Jennifer Sager, Senior Manager Accounting, gave the Regulatory Accounting for Climate Commitment Act Proceeds presentation.

James Dykes, Term Marketer, presented the Clean Energy Implementation Plan presentation.

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.

Sandra Marcusen, Quincy, WA, addressed the Commission concerning Royal Slope and Route 4B.

Alan Marcusen, Quincy, WA, addressed the Commission in opposition of Route 4B.

Lisa Marcusen, Mattawa, WA, addressed the Commission, and provided a letter in opposition to Route 4B.

Darrin Reynolds addressed the Commission in opposition to Route 4B.

Correspondence was reviewed by the Commission to include a customer concern regarding power pole installation and an invitation to the Port of Moses Diamond Anniversary Celebration.

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

Payment Number	159162 159295	through	159292 159521	\$3,092,136.56 \$27,231,660.25 \$30,323,796.81
Payroll Direct Deposit	22066	through	22972	\$2,985,735.32
Payroll Tax and Garnishments	20251015A	through	20251015B	\$1,304,428.52

Meeting minutes of October 14, 2025.

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

Motion was made by Commissioner Schaapman and seconded by Commissioner Flint authorizing the General Manager/CEO, on behalf of Grant PUD, to execute Contract No. 110-13104 proposed 20 year purchased power agreement (PPA) with Royal Slope, LLC ("Royal Slope") for a 260 MW solar project and 260 MW / 1,040 MWh four-hour battery, commencing no earlier than March 31, 2028.

Motion was made by Commissioner Flint and seconded by Commissioner Schaapman authorizing the General Manager/CEO, on behalf of Grant PUD, to execute Contract No. 110-13105 for proposed 20 year purchased power agreement (PPA) with Royal Slope Bess, LLC ("Royal Slope") for a 260 MW solar project and 260 MW / 1,040 MWh four-hour battery, commencing no earlier than March 31, 2028.

Motion was made by Commissioner Wilson and seconded by Commissioner Flint authorizing payment of non-compliant purchase from Arch Staffing and Consulting, invoice number 307603-307677 dated August 10, 2025, in the amount of \$385,781.20.

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to award Engineering Contract 430-12500 to X-Energy, LLC was withdrawn at the discretion of the General Manager/CEO.

The Commissioners reviewed future agenda items.

The Commission recessed at 1:38 p.m.

The Commission resumed at 1:45 p.m.

Brett Lenz, Manager Cultural Resources, provided the Cultural Resources Business Report.

Chris McDarment, Senior Manager of System Operations, gave the Power Delivery Performance Business Report.

Rey Pulido, Vice President of Power Production Operations, presented the Power Production Performance Business Report.

Jeremy Stewart, Lead Financial Analyst, provided the Rate Policy, Unbundling, and Rate Trajectory update.

There being no further business to discuss, the October 28, 2025 meeting officially adjourned at 3:40 p.m.

Terry Pyle, President

ATTEST:

Judy Wilson, Secretary

Larry Schaapman, Vice President

Tom Flint, Commissioner

Nelson Cox, Commissioner

REGULAR AGENDA

RESOLUTION NO. 9104

A RESOLUTION ADOPTING REGULATORY ACCOUNTING FOR CLIMATE COMMITMENT ACT (CCA) ALLOWANCE
PROCEEDS

Recitals

1. Grant PUD prepares financial statements in accordance to accounting principles generally accepted in the United States of America;
2. Generally accepted accounting principles are determined by the Governmental Accounting Standards Board (GASB);
3. Grant PUD's Board of Commissioners have the sole authority and responsibility to set electric rates;
4. Grant PUD's proceeds from CCA Allowance auctions has exceeded initial expectations. Due to the volume of funds and the strategic planning required for their use, expenditures will occur over multiple years. This affects the timing of revenue recognition in Grant PUD's annual Statement of Revenues and Expenses and Changes in Net Position;
5. Grant PUD's CCA funds have a restricted use under the Climate Commitment Act. Grant PUD intends to allocate funds in a manner that aligns with its strategic initiatives while remaining in full compliance with the Act; and
6. GASB Statement No. 62 allows regulated entities, such as Grant PUD, that sets rates based on revenue requirements to defer the effects of revenues or expenses that are not expected to be recovered in current rates until such time as those revenues and expense are recovered in rates.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Public Utility District No. 2 of Grant County, Washington: Grant PUD invoke regulatory accounting, in accordance with GASB No. 62 *Codification of Accounting and Financial Reporting Guidance: Regulated Operations*, for the Grant PUD's proceeds from CCA Allowance auctions in connection with the Climate Commitment Act.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County this 12th day of November, 2025.

President

ATTEST:

Secretary

Vice President

Commissioner

Commissioner

MEMORANDUM

October 14, 2025

TO: John Mertlich, General Manager/Chief Executive Officer

VIA: Bonnie Overfield, VP of Finance/CFO 
Jennifer Sager, Senior Manager Accounting/Controller 

FROM: Emily Estell, Assistant Controller 
Colin Fay, Financial Reporting Analyst 

SUBJECT: Regulatory Accounting for Climate Commitment Act (CCA) Allowance Auction Proceeds

Purpose: To request Commission approval via resolution adopting regulatory accounting for CCA auction proceeds.

Discussion: Each quarter the Department of Ecology holds auctions for greenhouse gas allowances. Grant PUD has been allocated allowances at no-cost and can choose to participate in the auctions on a quarterly basis utilizing a risk strategy as determined by the Energy Supply Management department. Proceeds from the auction are restricted in use under the Climate Commitment Act.

Grant PUD has consistently participated in these quarterly auctions. The results of the auctions have been significantly more favorable than originally anticipated. The impact of the new funding is insurmountably positive. However, due to the restricted use of the funds, the significant amount of funds, and the need to plan the use of the funds for a compliant and strategic opportunity, the use of the funds will occur over multiple years. Rate-payers will not receive the benefit of the funds until the funds are spent. The implementation of regulatory accounting allows the ability to defer the impact of earning the funds until the funds are allocated and spent.

The implementation of this accounting treatment will help ensure rates remain stable by smoothing out annual volatile movements. To ensure this, matching the revenue to the expenditure will ensure a smooth rate.

The accounting treatment has previously been adopted by the Commission in 2022 via Resolution 8989 for Actuarial Changes to Pension Expense. As such, the proposed accounting treatment is consistent with GASB 62, as well as having concurrence with Grant PUD's financial auditors, Baker Tilly. The treatment is also aligned with how peer entities are treating the proceeds of their auctions. The 2025 financial statements are planned to be presented including the updated accounting treatment.

Recommendation: Commission approval by resolution adopting Regulatory Accounting for Climate Commitment Act (CCA) Allowance Proceeds.

Legal Review: See attached email.

Signature: 
Bonnie Overfield (Oct 14, 2025 16:55:27 PDT)

Email: Boverfi@gcpud.org



Regulatory Accounting for CCA Allowances – Executive Summary

10/16/2025

This summarizes the proposed approach the Accounting department recommends using to account for CCA allowance revenues. This approach utilizes the full toolbelt of accounting standards and aligns revenues and expenses for stable rate-making purposes, while also assisting with planning and forecasting future revenues and expenditures. This memo describes the effects of the changes in the 2025 financial statements.

SUMMARY OF CHANGES:

Currently revenue from allowance auctions is recognized as revenue when earned. The proposed change will instead move all proceeds from the allowance auctions to the balance sheet as a regulatory credit (deferred inflow of resources). The regulatory credit is then amortized into revenue as proceeds are allocated, dollar-for-dollar. This approach matches the expense with the revenue, which mitigates some of the financial planning needed around using the proceeds. The regulatory credit on the balance sheet behaves similarly to a Rate Stabilization Fund. Applying this accounting treatment will better communicate our financial situation with rate-payers.

A Rate Stabilization Fund is a clear benefit to any Grant PUD rate-payer. Having a financial statement line-item that behaves as such will provide rate stability to customers when funds are finally allocated. By electing to defer the benefit (inflow of resources) until the expenditure occurs, the expense will cancel out the with the deferred benefit, dollar-for-dollar. The analysis and results in this discussion are prospective, offering insights to impacts for 2025. The Accounting department is further exploring applying the treatment for 2023 and 2024 CCA allowance revenues.

EFFECTS OF CHANGES:

For illustrative purposes, with implementation on a prospective basis, the effects in fiscal year 2025, which is the period from Jan. 1, 2025, to Dec. 31, 2025, are below. As of Jun. 30, 2025, the cumulative effect of the change would be:

- On the income statement – Wholesale revenues, net – Decreased \$82.4MM.
- On the balance sheet – Unrestricted net position – Decreased \$82.4MM.
- On the balance sheet – Deferred inflows of resources – Increased \$82.4MM.
- No changes to the statement of cash flows.
- Two strategic plan metrics would be revised – Consolidated Return on Net Assets from 10.2% to 7.0% and Consolidated Debt Service Coverage from 8.82 to 6.63. Both metrics would remain within target range.
- Please refer to the appendix on page 2 which will visualize the effects via condensed financial statements as of Jun. 30, 2025.

OTHER KEY INFORMATION:

- For final implementation a Commission Resolution must be passed before year-end. The Resolution would authorize the accounting treatment as described in a more detailed memo.
- Inquiries regarding the forecasted use of CCA funds should be directed to the Treasury department. The process for requesting CCA funds is managed by the CCA Committee and Treasury department and will remain unchanged.
- As of Sep. 30, 2025, the total CCA proceeds earned and deferred inflows year-to-date were \$119.4M.
- Accounting department, with the assistance of the Treasury department, will be responsible for reconciling the regulatory credits. Please contact jsager@gcpud.org, eestell@gcpud.org, and cfay@gcpud.org for more information.
- The Accounting department is further exploring applying the treatment for 2023 and 2024 CCA allowance revenues, which would require a restatement of our financial statements.
- Confidentiality around the CCA allowances, funds, and auction process will be honored to the fullest extent of the law.

APPENDIX: June 30, 2025 Financial Statements- Current and Restated

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2025	2025 Restated	Changes to restate 2025
Total current assets	622,891	622,891	
Utility plant, net	2,601,084	2,601,084	
Total other noncurrent assets	530,821	530,821	
Total noncurrent assets	3,131,905	3,131,905	
TOTAL ASSETS	3,754,796	3,754,796	
Total deferred outflows	61,084	61,084	
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 3,815,879	\$ 3,815,879	

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	2025	2025 Restated	Changes to restate 2025
Total current liabilities	206,283	206,283	
Total noncurrent liabilities	1,066,954	1,066,954	
TOTAL LIABILITIES	1,273,236	1,273,236	

DEFERRED INFLOWS OF RESOURCES			
Net pension	8,162	8,162	
Regulatory Liability - Pension	58,055	58,055	
Regulatory Liability - CCA	-	82,393	82,393
Other post employment benefits	2,645	2,645	
Leases	15,552	15,552	
Total deferred inflows	84,413	166,807	
Total liabilities and deferred inflows of resources	1,357,650	1,440,043	

NET POSITION			
Net investment in capital assets	1,558,078	1,558,078	
Restricted	572,031	572,031	
Unrestricted	328,120	245,727	(82,393)
Total net position	2,458,229	2,375,836	
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 3,815,879	\$ 3,815,879	

	2025	2025 Restated	Changes to restate 2025
OPERATING REVENUES			
Sales to power purchasers at cost	\$ 13,383	\$ 13,383	
Retail energy sales			
Residential	29,050	29,050	
Irrigation	7,857	7,857	
Commercial and industrial	100,555	100,555	
Governmental and others	871	871	
Wholesale revenues, net	241,233	158,840	(82,393)
Fiber optic network sales	8,067	8,067	
Other	1,417	1,417	
Total operating revenues	402,433	320,040	(82,393)
Total operating expenses	152,771	152,771	
NET OPERATING INCOME	249,662	167,269	(82,393)
Total other revenue (expenses)	8,563	8,563	
CONTRIBUTIONS IN AID OF CONSTRUCTION	7,226	7,226	
CHANGE IN NET POSITION	265,451	183,058	(82,393)
NET POSITION			
Beginning of period	2,192,779	2,192,779	
Total net position - end of period	\$ 2,458,230	\$ 2,375,837	

RESOLUTION NO. 9105

A RESOLUTION OF THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON, CALLING CERTAIN OUTSTANDING BONDS OF THE ELECTRIC SYSTEM FOR REDEMPTION PRIOR TO MATURITY; AND APPROVING OTHER MATTERS RELATED THERETO.

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

WHEREAS, the District has issued and has outstanding certain senior parity lien obligations of the Electric System, including the following:

	<u>Authorizing Resolution</u>	<u>Final Maturity</u>	<u>Original Principal Amount</u>	<u>Outstanding Principal Amount</u>
Electric System Revenue Refunding Bonds, Series 2020-R (Mandatory Put Bonds) (the “2020-R Bonds”)	Resolution No. 8947	1/1/2044	\$47,190,000	\$47,190,000
Electric System Revenue Refunding Bonds, Series 2023-U (the “2023-U Bonds”) ; and	Resolution No. 9019	1/1/2026	\$49,265,000	\$49,265,000

WHEREAS, the 2020-R Bonds are subject to redemption at the option of the District on any business day on and after September 1, 2025, in whole or in part, at a price equal to the principal amount of 2020-R Bonds called for redemption, plus accrued interest, if any, to the date fixed for redemption; and

WHEREAS, the 2023-U Bonds are subject to optional redemption at the option of the District on any date on or after July 1, 2025, in whole or in part, at the applicable redemption price(s) set forth in Appendix H—“OPTIONAL REDEMPTION PRICES OF THE BONDS” of the Official Statement for the 2023-U Bonds, plus accrued interest, if any, to the date fixed for redemption; and

WHEREAS, the Commission of the District (the “Commission”) deems it in the best interest of the District to use available funds of the Electric System to redeem, prior to final maturity, the outstanding 2020-R Bonds and the 2023-U Bonds as provided herein; and

WHEREAS, the Commission wishes to delegate authority to the Chief Financial Officer/Treasurer and the Senior Manager of Treasury and Financial Planning/Deputy Treasurer (each, a “Designated Representative”) to carry out the redemptions authorized by this resolution;

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

Section 1. Definitions. Capitalized terms not otherwise defined herein, including in the recitals, which are incorporated herein by this reference, have the meanings set forth in District Resolution No. 8947 and Resolution No. 9019 authorizing the issuance of the 2020-R Bonds and the 2023-U Bonds, respectively.

Section 2. Redemption Plan. The Chief Financial Officer/Treasurer and the Senior Manager of Treasury and Financial Planning/Deputy Treasurer of the District (each, a “Designated Representative”) are each hereby authorized to determine the call date(s), to determine the redemption price (with respect to the 2023-U Bonds), to provide notice of redemption, and to transfer sums sufficient to pay (from available funds of the Electric System), and to engage such consultants and pay associated fees as necessary to carry out the redemption of the 2020-R Bonds and the 2023-U Bonds as provided in this resolution. Notice of redemption shall be provided in accordance with the resolution authorizing the issuance of the 2020-R Bonds and the 2023-U Bonds, as applicable, in substantially the form attached hereto as Exhibit A, with such revisions as determined to be necessary by a Designated Representative to carry out the intent of this resolution.

Section 3. Severability. If any one or more of the provisions provided in this resolution on the part of the District to be performed shall be declared by any court of competent jurisdiction to be contrary to law, then such provisions shall be null and void and shall be deemed separable from the remaining provisions, and shall in no way affect the validity of the other provisions of this resolution.

Section 4. General Authorization. The Designated Representatives, members of the Commission, and each of the other appropriate officers of the District are each hereby authorized and directed to take such steps, to do such other acts and things, and to execute such letters, certificates, agreements, papers, financing statements, assignments or instruments as in their judgment may be necessary, appropriate or desirable in order to carry out the terms and provisions of, and complete the transactions contemplated by, this resolution.

Section 5. Prior Acts. All acts taken pursuant to the authority of this resolution but prior to its effective date are hereby ratified and confirmed.

Section 6. Effective Date. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 12th day of November, 2025.

PUBLIC UTILITY DISTRICT NO. 2 OF
GRANT COUNTY, WASHINGTON

By _____
President and Commissioner

Commissioner

Commissioner

Commissioner

Commissioner

Secretary of the Commission

EXHIBIT A
Form of Conditional Notice of Redemption

CONDITIONAL NOTICE OF REDEMPTION

PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON

Electric System Revenue Refunding Bonds, Series 2020-R (Mandatory Put Bonds)
(the “2020-R Bonds”)

Electric System Revenue Refunding Bonds, Series 2023-U
(the “2023-U Bonds”)

NOTICE IS HEREBY GIVEN to the owners of the above-captioned 2020-R Bonds and the 2023-U Bonds that Public Utility District No. 2 of Grant County, Washington (the “District”) intends to redeem all of such bonds (the “Refunded Bonds”) with available funds of the District on or around the redemption dates designated below (each, a “Redemption Date”).

The 2020-R Bonds will be redeemed in accordance with Resolution No. 8947 of the District (the “2020-R Bond Resolution”) authorizing the issuance of the 2020-R Bonds. The 2023-U Bonds will be redeemed in accordance with Resolution No. 9019 of the District (the “2023-U Bond Resolution”) authorizing the issuance of the 2023-U Bonds. Information on the Refunded Bonds and the respective Redemption Date and redemption price is provided in the table below. Capitalized terms not otherwise defined herein shall have the meanings set forth in the 2020-R Bond Resolution and the 2023-U Bond Resolution, as applicable.

Interest on the Refunded Bonds shall cease to accrue on the applicable Redemption Date. The redemption of the Refunded Bonds is conditioned on receipt by U.S. Bank Trust Company, National Association (the “Paying Agent”) of funds from the District in the amount sufficient to carry out the redemption. The redemption price of the Refunded Bonds is payable on presentation and surrender of the Refunded Bonds at the office of:

U.S. Bank Trust Company, National Association
Global Corporate Trust Services
111 Fillmore Ave E
St. Paul, MN 55107

The District retains the right to rescind this conditional notice of redemption and the related optional redemption of either series of Refunded Bonds at any time prior to the applicable Redemption Date as the District deems appropriate. If this conditional notice of redemption is rescinded with respect to a series of the Refunded Bonds, such Refunded Bonds shall remain outstanding.

The Refunded Bonds are described as follows:

ELECTRIC SYSTEM REVENUE REFUNDING BONDS, SERIES 2020-R
(MANDATORY PUT BONDS)

Maturity Date (January 1)	Par Amount	Par Amount to be Redeemed	Interest Rate	Redemption Date	Redemption Price	CUSIP Number
2044 ⁽¹⁾	\$ 47,190,000	\$ 47,190,000	2.00%		100.000%	387874YV6

⁽¹⁾ Term Bonds.

ELECTRIC SYSTEM REVENUE REFUNDING BONDS, SERIES 2023-U

Maturity Date (January 1)	Par Amount	Par Amount to be Redeemed	Interest Rate	Redemption Date	Redemption Price⁽¹⁾	CUSIP Number
2026	\$ 49,265,000	\$ 49,265,000	4.00%			387874YX2

⁽¹⁾ The applicable redemption price on such Redemption Date as set forth in APPENDIX H—"OPTIONAL REDEMPTION PRICES OF THE BONDS" of the Official Statement for the 2023-U Bonds available at <https://emma.msrb.org/P21850591-P11297043-P11727437.pdf>.

By Order of Public Utility District No. 2 of Grant County, Washington

U.S. Bank Trust Company, National Association, as Paying Agent

Dated: _____.

Under Section 3406(a)(1) of the Internal Revenue Code the Paying Agent may be obligated to withhold a percentage of the principal of a holder who has failed to furnish the Paying Agent with a valid taxpayer identification number and a certification that the owner is not subject to backup withholding. Owners who wish to avoid the application of these provisions should submit a completed IRS Form W-9 when presenting their certificates for payment.

The District and Paying Agent shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness indicated in the notice or as printed on any Refunded Bond. They are included solely for the convenience of the holders.

MEMORANDUM

October 8, 2025

TO: John Mertlich, General Manager/Chief Executive Officer

VIA: Bonnie Overfield, VP of Finance/Chief Financial Officer/Treasurer 
Angelina Johnson, Senior Manager of Treasury and FP/Deputy Treasurer 

FROM: Amy Thompson, Manager of Treasury Operations
Mark Buchta, Senior Financial Analyst

SUBJECT: Electric System 2020-R and 2023-U Refunding/Payoff Commission Resolution

Purpose: To request Commission review and approval of the payoff of the Electric System's 2020-R and 2023-U bond series. Staff analysis has concluded that the District has sufficient funds to pay off both the 2020-R and 2023-U and still meet required financial metrics (i.e. Days Cash on Hand and Debt Service Coverage) while being economically and strategically advantageous. Treasury staff provided a financial presentation to the Commission on August 12, 2025.

Discussion 2020-R: The District issued the Electric System's 2020-R bond series (stepped rate mandatory put) refunded the short-term 2017-M floating rate note which was a new money series. The floating rate interest was equal to 65.1% of One-Month LIBOR plus 0.475%. The 2020-R refunded the 2017-M due to the maturity date of 9/18/2020 with a par amount of \$50,000,000. The 2020-R has a call date of 9/1/2025, and a mandatory put date of 12/1/2025. The District is not required to pay off or refund the debt on the mandatory put date; however, the interest on the outstanding debt will increase (see section below).

At 11/30/2025, the 2.00% interest rate will end. On 12/1/2025, the interest increases to 6.00% for 90 days and interest increases to 8.00% thereafter.

- Costs associated with the 2020-R are:
 - Total costs through the initial interest window 11/30/2025: \$459,697 Cost of Issuance and \$7,926,869 Interest).
 - Principal amount of \$47,190,000 would need to be paid with interest accrued through 11/30/2025.
 - If the District does not pay off the 2020-R, the interest would increase from 2.00% to 6.00% for 90 days.
 - Interest increases from 6.00% to 8.00% on 3/1/26 if the series is not paid off prior.
- Verbiage from Commission Resolution: "The 2020-R Bonds are subject to redemption at the option of the District on any business day on and after September 1, 2025, in whole or in part, at a price equal to the principal amount of 2020-R Bonds called for redemption, plus accrued interest, if any, to the date fixed for redemption."
- The District has at least 20 days and no more than 60 days prior to the call date to give official Notice of Redemption. 10/01/2025, is the earliest (60 days prior to the call date) to post the Notice of Redemption; 11/10/2025, is the latest date (20 days prior to the call date) to post the Notice of Redemption. (Exhibit A)

Optional Redemption

The 2020-R Bonds are subject to redemption at the option of the District on any Business Day on and after the Par Call Date (September 1, 2025), in whole or in part, at a price equal to the principal amount of 2020-R Bonds called for redemption, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

The 2020-S Bonds are subject to redemption at the option of the District on any Business Day on and after the Par Call Date (September 1, 2023), in whole or in part, at a price equal to the principal amount of 2020-S Bonds called for redemption, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

Mandatory Redemption

The 2020-R Bonds, which are Term Bonds, shall be redeemed prior to maturity (or paid at maturity), no later than January 1 in the years and in the sinking fund installment amounts set forth below (to the extent such 2020-R Bonds have not been previously redeemed or purchased), by payment of the principal amount thereof, together with the interest accrued thereon to the date fixed for redemption.

2020-R Bonds

Year	Sinking Fund Installment
2035	\$4,310,000
2036	4,395,000
2037	4,485,000
2038	4,575,000
2039	4,665,000
2040	4,755,000
2041	4,855,000
2042	4,950,000
2043	5,050,000
2044*	5,150,000

* Final maturity.

Exhibit A: Notice of Redemption

The payoff of the 2020-R was included in the Q4 2024 Financial Forecast. With the positive financial results of 2024, the Financial Forecast division of Treasury analyzed the impact of paying off the 2020-R and the associated debt metrics of Days Cash on Hand and Debt Service Coverage. All financial metrics are met while paying off the 2020-R.

Discussion 2023-U: The District issued the Electric System's 2023-U bond series (fixed rate with a 4% coupon; hard put that must be paid off or refunded); this series refunded the short-term floating rate note, 2021-T direct placed bond with Bank of America. The District had initially experienced low interest rates at 0.42% when issued in June 2021, but with the increase in rates, the District was paying 3.80% in May 2023. Starting in 2014, the District issued variable rate debt products to fulfill the Asset Liability Matching (ALM) strategy. The District utilizes ALM for comparing whether the interest paid on variable and fixed debt can be offset with comparable investments. The purpose of refunding the outstanding principal of \$50,000,000 (2021-T) was to lock the District at a fixed interest rate for planning and cash flow purposes.

- Costs associated with the 2023-U are:
 - Total costs through the maturity date 1/1/2026: \$5,170,968 (\$375,842 Cost of Issuance and \$4,795,126 Interest)

- Total costs through the call date of 7/1/2025: \$4,185,668 (\$375,842 Cost of Issuance and \$3,809,826 Interest).
 - Call date has a premium penalty.
- Total costs through the hard put date of 1/1/2026: \$5,170,969 (\$375,842 Cost of Issuance and \$4,795,127 Interest).
- Verbiage from Commission Resolution: “The 2023-U Bonds are subject to optional redemption at the option of the District on any date on or after July 1, 2025, in whole or in part, at the applicable redemption price(s) set forth in Appendix H—“OPTIONAL REDEMPTION PRICES OF THE BONDS” of the Official Statement for the 2023-U Bonds, plus accrued interest, if any, to the date fixed for redemption.”

With the positive financial results of 2024, the Financial Forecast division of Treasury analyzed the impact of paying off the 2023-U and the associated debt metrics of Days Cash on Hand and Debt Service Coverage.

Justification: Commission review and approval is required for the District to enter into a bond transaction; the early payoff or payoff at maturity is a financial strategy reviewed and recommended by the CFO to the Commission.

The Electric System debt portfolio includes both taxable and tax-exempt debt. The District’s private use compliance will be in jeopardy with additional transmission agreements signed by private companies. Tax-exempt debt is restricted to 90% public use and only 10% private use. If contracts violate the public/private benefit, the entire tax-exempt debt series affected would be in jeopardy of violating Internal Revenue Service (IRS) requirements. The revenue anticipated for the District would more than cover the difference between tax-exempt issuance costs and taxable issuance costs. Typically, tax-exempt issuances cost less for the District. However, the revenues projected on the private contracts exceed the difference in debt cost of tax-exempt and taxable debt (in the District’s favor).

The District’s financial forecast does not indicate the need for the District to issue external debt in 2026 to cover Electric System capital costs. However, if the need arises for the District to issue external debt, the District has received forecasts from the banking industry that indicate rates may drop in 2026. This would be in favor for the District to not refund these two series (2020-R and 2023-U) but rather pay in full and issue new capital project debt as needed.

With the Electric System capital program adding approximately \$935,000,000 in capital projects over the next five years and the District pursuing external funding (federal, state, and local), the Treasury department recommends any debt funded work be done with new money for tracking and reporting purposes. Additionally, Treasury is evaluating debt products and structures that would allow flexibility due to planning volatility (market changes, supply chain issues, tariff concerns, etc.).

Financial Considerations: The District ended 2024 with 664 days cash on hand and 5.79x consolidated debt service coverage. Paying off the 2020-R and 2023-U still allows the District to meet and exceed the financial metrics of 250 days cash on hand and 1.80x consolidated debt service coverage.

In preparation for the potential defeasance of the 2020-R and 2023-U, Treasury incorporated the principal into the set aside schedules similar to all debt series with upcoming payments. The Electric System Revenue Fund will not be negatively impacted by paying off the two series.

Additional Considerations: If the District needed additional funding for capital projects in the short-term, paying off the 2023-U may have a favourable outlook to the rating agencies and investors proving that the District is willing to use its excess liquidity to reduce debt (referenced in Rating Agencies below). The 2025 Q2 Financial Forecast does not indicate any current need for the Electric System to require external debt issuances to cover capital costs.

Safety/Compliance: By paying off the 2020-R and 2023-U, all compliance related to the debt will no longer apply. A final 8038 Form indicating no arbitrage has been accrued and due to the IRS will need to be filed. If arbitrage has been accrued, payment is due to the IRS and should be indicated on the financials as of year-end if the District intends to pay the total principal and accrued interest by 11/30/2025 (2020-R) and 1/1/2026 (2023-U).

The IRS is able to audit bonds that are no longer outstanding for a period of up to three (3) years. By paying off the bonds instead of refunding, the District would no longer need to keep the bond documents after six (6) years after paying off the bonds (IRS requires 3 years) (Washington State Local Government Common Records Retention Schedule Version 5.0 October 2024 GS2011-183 Rev. 3; IRS Section 1.6001-1(e)).

Generational Fairness: When the District issues debt, specifically for capital projects, the lifespan of the assets should be close to matching the debt associated with the debt. With the original debt issued in 2016, the assets put into place would already be nine (9) years old with no principal paid on the debt issued.

Rating Agencies: Paying off debt with excess liquidity and still maintaining high financial metrics is historically a positive outlook for rating agencies. When Chelan PUD paid off outstanding debt, Moody's May 2024 Credit Opinion stated: "At year-end 2023, the district had around \$338 million of debt compared to over \$1 billion at year-end 2009. We view the debt pay down as a substantial credit positive that contributes to the district's financial flexibility." (Chelan PUD Website)

RMG Financial Consulting, Grant PUD's credit reporting contractor, also had similar positive financial reviews regarding Chelan PUD's debt pay down. RMG stated "Chelan has reduced its debt by over \$124 million over the last five years and has generally funded its extensive capital programs to modernize its hydro facilities through internally generated funds" in the Good Financial Liquidity Section regarding credit strengths. (RMB Chelan Credit Review)

Chelan PUD's ratings: Moody's Aa2 Stable, Standard & Poor's AA+/Stable (consolidated system's revenue bonds outstanding) and AA+/A-1/Stable (2008B variable-rate bond), and Fitch Ratings' AA+ Stable.

Grant PUD's ratings: Moody's Aa2 Stable (both systems), Standard & Poor's AA Stable (PRP) and AA+ Stable (Electric System), and Fitch Ratings AA Stable (both systems).

Chelan PUD's ratings are higher than Grant PUD's with the exception of Moody's and Standard & Poor's rating of Grant PUD's Electric System, which have the same rating. (Exhibit B)

Credit Rating Scales by Agency, Long-Term			
Moody's	S&P	Fitch	
Aaa	AAA	AAA	Prime
Aa1	AA+	AA+	High grade
Aa2	AA	AA	
Aa3	AA-	AA-	
A1	A+	A+	Upper medium grade
A2	A	A	
A3	A-	A-	
Baa1	BBB+	BBB+	Lower medium grade
Baa2	BBB	BBB	
Baa3	BBB-	BBB-	
Ba1	BB+	BB+	Non-investment grade speculative
Ba2	BB	BB	
Ba3	BB-	BB-	
B1	B+	B+	Highly speculative
B2	B	B	
B3	B-	B-	
Caa1	CCC+	CCC	Substantial risk
Caa2	CCC		Extremely speculative
Caa3	CCC-		Default imminent with little prospect for recovery
Ca	CC	CC	
	C	C	
C	D	D	In default
/			
/			

WOLFSTREET.com

Exhibit B: Big 3 Rating Agencies Chart

Recommendation: Approve the attached resolution proposing plan of paying off the 2020-R and 2023-U debt series with excess liquidity.

Legal Review: See attached email for memo review.

Motion authorizing payment of non-compliant purchase from RACOM, invoice number 18760 dated June 17, 2024, in the amount of \$22,709.34.

MEMORANDUM

October 6, 2025

TO: John Mertlich, General Manager/Chief Executive Officer

VIA: Ty Erhman, Sr. VP Retail Operations *FTE*

FROM: Terry McKenzie, Director Telecom & Fiber Services *JM*

SUBJECT: Request to Pay Unauthorized Purchase

Purpose: Request Commission approval to pay RACOM Corporation invoice dated June 17, 2024, in the amount of \$22,709.34.

Description of unauthorized purchase: The Telecom & Fiber Services team purchased 14 portable radios, warranty, batteries, chargers and additional parts for a project team per instruction by me. RACOM escalated the unpaid invoice in September and is aware of the delay.

Violation (i.e., State Bid Law, Delegation of Authority, etc.): Grant PUDs purchase Authorization table for a direct purchase is \$15,000.

Steps Taken to Avoid Future Violations: I should have verified the amount prior to purchasing so I could have completed a purchase order.

Recommendation: Commission approval to pay RACOM, invoice 18760 in the amount of \$22,709.34.

See attached invoice and background information.

CC: Senior Manager of Supply Chain
Accounts Payable Supervisor
Auditor



RACOM Corporation
526 S Locust Lane
Moses Lake WA 98837
United States
www.racom.net

INVOICE

RACOM CORPORATION
201 West State Street
Marshalltown IA 50158
United States
Tax ID: Duns#: 040608036
www.racom.net

DATE:
6/17/2024

INVOICE #:
INV18760

BILL TO:

Jacob Johnson
Grant County Pud
PO Box 878
30 C Street SW
Ephrata WA 98823
United States

SHIP TO:

Jacob Johnson
Grant County Pud
PO Box 878
30 C Street SW
Ephrata WA 98823
United States

REMITTANCE INFORMATION

PAYMENT BY ACH/WIRE

Bank Name: California Bank & Trust
Checking Account# 5802148493
ACH Routing# 122232109
Wire Routing# 121002042
Email Remittance Advice to: ar@racom.net

CONTACT INFORMATION

Accounts Receivable Dept. ar@racom.net
Customer Success Team orders@racom.net
Main Office (p) 641-752-5820
(f) 641-752-0674

SALES REP	PO #	SHIPPING METHOD	DUE DATE	TERMS	TRACKING #
Lee Copple		Drop Ship	7/17/2024	Net 30	

ITEM	DESCRIPTION	TAX RATE	QTY Ordered	QTY Billed	Unit Price	Extended Price
TP9306K5FA-T	DMR 16Key 762-870MHz - High Vis Green	8.4%	14	14	\$799.94	\$11,199.16

Serial Numbers

26932873	26932874	26932875	26932877	26932878
26932879	26932881	26932882	26932883	26932884
26932885	26932886	26932887	26932888	



RACOM Corporation
526 S Locust Lane
Moses Lake WA 98837
United States
www.racom.net

INVOICE

ITEM	DESCRIPTION	TAX RATE	QTY Ordered	QTY Billed	Unit Price	Extended Price
TPAS080	DMR Trunking	8.4%	14	14	\$176.86	\$2,476.04
SRVADV-DMR-TWW-3_DO NOT USE	Tait Assurance DMR 3 Yr Terminal w/warranty	8.4%	14	14	\$66.60	\$932.40
TPA-AN-022	TP8/TP9 Ant 762-870MHz 1/2 wave whip	8.4%	30	30	\$20.72	\$621.60
T03-00011-EAAA	TP9 Battery High Capacity Li-Ion 3300mAh	8.4%	30	30	\$102.86	\$3,085.80
TPA-CA-201	TP8/9 Belt Clip 55mm	8.4%	14	14	\$10.36	\$145.04
T03-00012-AEAA	TP8/TP9 Charger Single Fast Li-Ion US/CAN Plug Pack	8.4%	14	14	\$74.74	\$1,046.36
EC6M-TWP-TA2	ENDURA 6 UNIT CHARGER - TAIT TP9400 PORTABLE	8.4%	2	2	\$658.00	\$1,316.00

Customer Note:

SUBTOTAL	\$20,822.40
TAX TOTAL	\$1,749.08
SHIPPING COST	\$137.86
TOTAL	\$22,709.34
AMOUNT PAID	\$0.00
AMOUNT DUE	\$22,709.34

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute new Contract Agreement 130-12765A with Burns and McDonnell Engineering, Inc. in the amount not to exceed \$4,000,000.00.

MEMORANDUM

October 9, 2025

TO: John Mertlich, General Manager/Chief Executive Officer

VIA: Ty Ehrman, Senior Vice President of Retail Operations ^{OS} TE
Ron Alexander, Vice President of Power Delivery Operations ^{Initial} RA
Dale Campbell, Senior Manager of Power Delivery Engineering ^{OS} DC

FROM: Angel Barahona-Sanchez, TSA Engineering Manager ^{Initial} ABS

SUBJECT: Award of Contracts 130-12765A, 130-12765B, 130-12765C, 130-12765D, 130-12765E, 130-12765F – Professional Services Agreement for Engineering Services

Purpose: To request Commission approval to award Contract 130-12765 to six consulting firms: HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates. The contract is for on-call general professional engineering services for ROW permitting, environmental permitting, transmission, substation, and distribution engineering for Power Delivery Division through December 31, 2030. The not-to-exceed value for each contract is outlined below.

Discussion: The District's Power Delivery Engineering group maintains professional services contracts to provide on-call general professional engineering for services required beyond current available engineering department resources and specialties on variety of analyses, inspections, design and on-going consultation to safely operate, maintain, and improve our electric system. All the current contracts for currently planned tasks are expiring this year. The District's practice is to rebid these types of contracts every 3-5 years to ensure we continue to receive high-quality engineering support for our critical assets.

Twenty-two firms responded to the Request for Proposals (RFP) for this contract. After careful consideration, six professional services contracts are recommended to be issued to the following engineering firms: HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates.

The consultants were selected based on their ability to provide engineering for transmission lines and facilities, substation facilities, distribution line facilities, SCADA projects, power system protection, power system studies, construction management services, right-of-way acquisition, and environmental permitting.

Contractor Selection Process:

Justification: The primary benefit is to ensure the District continues to receive high-quality engineering professional services to support Power Delivery division. By awarding multiple consultants with a variety of expertise, the District will have the ability to choose one of the six consultants depending on the scope of the task and particular expertise of the firm. Another

benefit of multiple contracts is that, where appropriate, we can request proposals from two or more of the firms and select which team will perform the work based on their proposed scope of services, estimated costs and completion schedule. Although all six contracts were written with very similar scope to allow each consultant to provide a wide range of general professional engineering support, it is worth noting that we consider each firm to have a specific area of expertise that make them preferable based on the task.

The recommended contracts are critical to supporting a reliable and timely improvement and expansion of the District's electric system to serve existing customers, as well as the large load growth anticipated. Alternatives to these contracts include hiring additional experienced and knowledgeable technical personnel or extending the anticipated service schedule for new large load or transmission interconnection customers. Hiring additional personnel is problematic, as recruitment of such professional resources has proven difficult in recent times. The alternative of extending large customer load growth or transmission interconnection schedules is also problematic, as "time to market" is a key consideration for most large industrial and transmission interconnection customers seeking to site or expand their business in Grant County. Customers have reported that extending their in-service date beyond our current backlog schedules is likely to make their projects unfeasible in our system.

Consultant-provided engineering services will be required for Power Delivery projects during the 2025-2030 timeframe. Work performed under these contracts will only be assigned to consultants if the scope of an individual project exceeds the capabilities of the District's in-house staff within the required schedule, or if the work requires specialized knowledge or tools that are not economical for the District to purchase. These services are currently anticipated to be utilized for supporting large load interconnections, transmission interconnections, transmission, electric, and SCADA system improvements.

Financial Considerations: The contracts shall have a not to exceed amount of \$5,000,000.00 for HDR, Inc., \$3,000,000.00 for SEL Engineering Services, Inc., \$5,000,000.00 for Electrical Consultants Inc., \$2,000,000.00 for Stanley, Inc., \$4,000,000.00 for Burns McDonnell, and \$4,000,000.00 for Toth & Associates.

Firm Name	Contract Value	Power Delivery Engineering Strengths
HDR	\$5,000,000	Transmission design, ROW permitting, Environmental permitting,
SEL Engineering Services	\$3,000,000	SCADA design and protection studies, system studies
Electrical Consultants Inc.	\$5,000,000	Substation design
Stanley	\$2,000,000	Construction management
Burns McDonnell	\$4,000,000	Distribution design, transmission design, substation design, ROW permitting
Toth & Associates	\$4,000,000	Distribution design, transmission design, substation design, ROW permitting

While it is not anticipated to spend that total amount of money, the not to exceed amounts provide District staff the flexibility to quickly respond to future project needs as identified and approved by the District's project planning and approval established processes.

Billing rates for the individual contracts were evaluated and negotiated by comparing rates between the six firms and existing engineering contracts within the District. The final agreed-upon rates are fair and reasonable based on the type of engineering support required for this contract.

Contract Specifics: The expected completion of these six contracts is December 31, 2030.

Recommendation: Commission approval to award Contracts 130-12765A-F to six engineering consulting firms HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates.

Legal Review: See attached email(s).

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement, effective upon full execution, is by and between Public Utility District No. 2 of Grant County, Washington ("District") and Burns & McDonnell Engineering Company, Inc. ("Contractor").

R e c i t a l s:

The District desires to obtain Professional Engineering Services; and

The District's Vice President of Power Delivery Operations believes professional engineering services are required to meet the District's transmission design, substation design, distribution design, and construction management needs that are above and beyond the ability of the District to perform with existing staff levels; and

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

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

1. Scope of Services

Refer to Appendix "B", Scope of Services Requirements.

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

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

2. Independent Contractor

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

B. The Contractor shall perform its services with the level of skill, care and diligence normally provided by and expected of professional persons performing services similar to or like those to be performed hereunder ("Standard of Care"). If the Contractor fails to meet the foregoing standard, as the District's sole and exclusive remedy and the Contractor's sole liability, the Contractor will perform at its own cost, the professional services necessary to correct errors and omissions reported to the Contractor in writing within one year from the completion of the Contractor's services under the relevant Task Order. No warranty, express or implied, is included in this Agreement or regarding any drawing, specification,

or other work product or instrument of service. Contractor understands that the District will be relying upon the accuracy, competency, credibility and completeness of the services provided by the Contractor hereunder and that the District and its customers will be utilizing the results of such services.

3. Term - Schedule

This Agreement shall remain in full force and effect until December 31, 2030, or until terminated pursuant to Section 17.

4. Compensation and Payment

- A. Compensation for services rendered and all reimbursable costs shall be per the rates set forth in Appendix "C", Rate Schedule. , which rates and costs shall not be subject to change until two years after the effective date of this Agreement. Any changes to rates and costs shall only be on a prospective basis and shall occur no more frequently than once every 12 months thereafter. Each such change shall not exceed the lesser of i.) 5% or ii.) the percentage increase in the Bureau of Labor Statistics Consumer Price Index (CPI-U) for the West Urban region occurring during the immediately preceding 12 month period for which CPI-U data is available. Contractor shall notify the District in writing at least 30 days prior to any such rate increase going into effect. A payment is considered made on the day it is mailed or is sent through electronic or wire transfer.

In no event, however, shall the total amount paid to Contractor for services and all reimbursable costs exceed the sum of \$4,000,000.00 USD unless a Change Order authorizing the same is issued in accordance with Section 5 below.

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

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

- C. Invoices shall include the Contract number and a detailed description of the work performed. Any Labor Categories or reimbursable expenses shall be included on the invoice (see Appendix "C").
- D. Payment will be made by the District upon completion of work following District approval of Contractor's invoices. Invoice shall be subject to the review and approval of the District. Invoice shall be in a detailed and clear manner supported by such information the District may require. The District will make payment to Contractor within 30 days after District's receipt and approval of said invoice. Contractor understands and agrees that by executing this Contract with the District, the District shall make payment(s) by automated clearing house (ACH). The District shall not be liable for fees incurred as a result of changes to Contractor's banking information without proper, separate notification to Accounts Payable via email at accountspayable@gcpud.org. Failure of Contractor to properly notify the District of banking changes as specified above shall result in forfeiture of associated fees.

- E. The District Representative may approve additional Contractor employees, personnel categories, and/or equipment rates to be added to the Rate Schedule, if applicable. There shall be no change in the total Contract not to exceed amount. All additions must be approved in writing prior to performing services under the Contract.

5. Change Orders

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

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

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

6. Taxes

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

said Washington State retail sales and use taxes levied upon this Contract to the Washington State Department of Revenue.

7. Hold Harmless and Indemnification

Contractor shall, at its sole expense, indemnify, defend, save, and hold harmless the District, its officers, and employees from all third party losses and damages, including costs and legal fees at trial and on appeal, for bodily injury, death, and third-party property damage to the extent caused by any negligent act, error or omission of the Contractor or its subcontractors, excluding damages caused by the negligence of the District, in the administration or performance of this Agreement, including any subcontracts executed pursuant to this Agreement. In situations where liability for damages arises from claims of bodily injury to persons or damage to property, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Contractor or its subcontractors. Contractor waives its immunity under industrial insurance, Title 51 RCW, to the extent necessary to effectuate this indemnification/hold harmless agreement. Contractor's indemnification obligation shall not apply to liability for damages arising out of bodily injury to a person or damage to property caused by the negligence of the District or its agents or employees and not attributable to any act or omission on the part of the Contractor. In the event of damages to a person or property caused by or resulting from the concurrent negligence of District or its agents or employees and the Contractor or its agents or employees, the Contractor's indemnity obligation shall apply only to the extent of the Contractor's (including that of its agents and employees) negligence.

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

8. Insurance

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

Contractor Required Insurance

1. **General Liability Insurance:** Commercial general liability insurance, covering all operations by or on behalf of Contractor against claims for bodily injury (including death) and property damage. Such insurance shall provide coverage for:
 - a. Premises and Operations;
 - b. Products and Completed Operations;
 - c. Contractual Liability;
 - d. Personal Injury Liability (with deletion of the exclusion for liability assumed under Contract);

with the following **limits**:

- e. \$2,000,000 Each Occurrence
- f. \$2,000,000 Personal Injury Liability
- g. \$4,000,000 General Aggregate
- h. \$4,000,000 Products and Completed Operations Aggregate

Commercial general liability insurance will include the District as additional insured under the required Commercial General Liability and Automobile Liability policies. A waiver of subrogation under the required Commercial General Liability, Workers' Compensation and Automobile Liability policies, where allowed by law, will apply in favor of the District.

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

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

3. **Automobile Liability Insurance:** Automobile Liability insurance against claims of bodily injury (including death) and property damage covering all owned (if any), rented, leased, non-owned, and hired vehicles used in the performance of the work, with a **limit of \$2,000,000 per accident** for bodily injury, property damage, or death combined and containing appropriate uninsured motorist and No-Fault insurance provision, where applicable.

Automobile liability insurance will include the District as additional insured. A waiver of subrogation will apply in favor of the District.

4. **Professional Liability:** Contractor shall provide professional liability insurance with a **limit of \$5,000,000 per claim and in the aggregate.**

If such policy is written on a claims made form, the retroactive date shall be prior to or coincident with the Effective Date of this Agreement. Claims made form coverage shall be maintained by the Contractor for a period of one (1) years following the termination of this Agreement, and the Contractor shall annually provide the District with proof of renewal. If renewal of the claims made form of coverage becomes unavailable, or economically prohibitive, the Contractor shall purchase an Extended Reporting Period Tail or execute another form of guarantee acceptable to the District to assure financial responsibility for liability for services performed.

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

- B. Evidence of Insurance - Prior to performing any services, and within 10 business days after receipt of the Contract Award, then annually thereafter, the Contractor shall file with the District an Acor Certificate of Insurance showing the Insuring Companies, policy numbers, effective dates, and required limits of liability with copies of the relevant endorsements where policy terms required under Section A are met.

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

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

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

9. Assignment

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

10. Records - Audit

- A. Until the expiration of three years after final acceptance by District of all the work, Contractor shall keep and maintain complete and accurate records of its costs and expenses to substantiate invoices under this Agreement in accordance with sound and generally accepted accounting principles applied on a consistent basis. To the extent this Agreement provided for compensation on a cost-reimbursable basis, Contractor shall provide District access to all such records for examination and audit. Notwithstanding anything to the contrary herein, in no event shall the District be entitled to audit the make-up of any agreed upon rates or charges, costs, hours worked, or expenses related to work performed on a lump sum or fixed price basis.

11. Nondisclosure

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

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

12. Public Records Act

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

- A. The District will not contact Contractor when records the District has received are responsive to a request for public record that would result in these records being released.
- B. Marking pages “confidential” or “proprietary” does not prevent them from release. The District will review for any records that meet the proprietary exemption in RCW 42.56.270(11). The District will either claim the exemption for Contractor, or if there is any question as to its validity, the District may contact Contractor about claiming the exemption.
- C. Other items that may be provided by Contractor that are NOT exempt from disclosure: Employee wages, equipment and material costs.

- D. Having a Non-Disclosure Agreement (NDA) with the District does not preclude the District from releasing these records. The courts have ruled that not all NDAs are enforceable in response to requests for public records.
- E. District scoring/evaluation forms are not exempt from disclosure once the Agreement has been awarded.

13. Applicable Law

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

14. Subcontracts

- A. Before entering into any subcontracts, the Contractor shall provide the District Representative and Procurement Officer with the proposed subcontractor agreement. Subcontracted work approved in accordance with this section shall be invoiced at cost plus the percentage markup identified in Appendix "C". A copy of the invoice showing actual cost must be submitted with the Contractor's invoice to the District. In addition, if prevailing wages apply to the services provided, a copy of the subcontractors Intent to Pay Prevailing Wages and Affidavit of Wages Paid must be attached in order for payment to be made for that particular work.
- B. Notwithstanding anything to the contrary above or herein, and only with prior approval from the District Representative and Procurement Officer, the Contractor may engage temporary staffing agencies or obtain assistance from its affiliates and subsidiaries including, without limitation, Burns & McDonnell Canada Ltd., Burns & McDonnell Global, Inc., Burns & McDonnell Europe (UK) Limited, and Burns & McDonnell India Pvt. Ltd. ("Labor Sources") to fulfill the Contractor's performance obligations under this Agreement. The parties agree that contracts, purchase orders, or similar agreements between the Contractor and any Labor Sources are not subcontracts as that term is used in this Agreement, and personnel from such Labor Sources shall not be considered a subcontractor and shall be billed according to the applicable rate sheet for the scope of work as if such personnel is a direct hire employee. Personnel from Labor Sources shall be considered agents of the Contractor and able to act on behalf of the Contractor within the scope of the authority granted to such personnel according to job function and billing classification. The Contractor remains fully responsible for the work and services performed by all Labor Sources.

15. Notices

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

District

Randy Kono
Public Utility District No. 2
of Grant County, Washington
PO Box 878
154 A Street SE
Ephrata, WA 98823
(509) 793-1422
Rkono@gcpud.org

Contractor

Jason Mayyak
Burns & McDonnell Engineering, Inc.
312 SE Stonemill Dr
Vancouver, WA 98684
(303) 474-2286
jmayyak@burnsmcd.com

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

16. Ownership of Work Product/Copyright

- A. All rights in the various work produced for or under this Agreement, including but not limited to study plans, results, drafts, charts, graphs, videos, summaries and any other forms of presentation, collectively referred to as "Work Product" shall belong to and be the exclusive property of the District upon full and final payment therefor. Contractor shall not use the Work Product outside the scope of this Contract Agreement without express written permission from the District. Such Work Product is not intended or represented to be suitable for reuse by the District or others in extensions of the project beyond that contemplated in the Task Authorization or on any other project. Any reuse, extension, or completion by the District or others will be at the District's sole risk and without liability or legal exposure to the Contractor. The District shall defend, indemnify and hold harmless the Contractor against any and all claims resulting from or related to the District's or its officers', subcontractors', employees', or agent's reuse of any Work Product provided under this Agreement. Rights to Contractor's intellectual property developed, utilized or modified in the performance of the Work, but not created to fulfill the performance obligations of this Contract, shall remain the property of the Contractor. The Contractor grants to Company a royalty-free, irrevocable, worldwide, non-exclusive, perpetual license to use such intellectual property as needed to maintain, modify or improve the facilities associated with the project.
- B. Contractor acknowledges and agrees that all services/work are specifically ordered under an agreement with Public Utility District No. 2 of Grant County, Washington, and shall be considered "work made for hire" and "Work Product" for purposes of copyright. All copyright interest in Work Product shall belong to and be the exclusive property of the District.
- C. Contractor shall attach and require each of its subcontractors to attach the following statement to all Work Product:

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

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

- D. Upon final acceptance or termination of this Agreement, Contractor shall immediately turn over to the District all Work Product. This does not prevent the Contractor from making a file copy for their records.

17. Termination

- A. District may, at any time, for any reason, terminate Contractor's services in connection with this Agreement, or any part thereof, by designating that portion of the services to be terminated. In case of termination pursuant to this Section A, District will (i) make payment at the rates specified in this Agreement for services properly performed up to the date of termination, (ii) pay the reasonable cost of terminating existing subcontracts, including any cancellation charges, at the time of termination which cannot, despite the Contractor's diligent efforts, be cancelled, (iii) pay reasonable demobilization costs agreed to in writing by the District, and (iv) pay reasonable costs of any incidental or "close-out" work necessary and approved by the District. However, in no event shall Contractor be entitled to any other payment to or any anticipated fee or profit on unperformed work.
- B. In the event Contractor materially breaches or abandons of this Contract, the District shall provide written notice to Contractor of same and a reasonable opportunity to cure. In the event Contractor fails to cure said material breach or abandonment of the Agreement, the District may thereupon and without further notice, terminate this Agreement. The District without waiving any other remedies available to it, may retain any monies otherwise due Contractor under this Agreement to the extent such sums are required to compensate District, in whole or in part, for any loss or damage caused by Contractor's breach or abandonment.

18. Non-Waiver

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

19. Physical Security

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

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

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

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

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

circumstances will the failure of any Contractor or subcontractor employee to pass the required training, be grounds for any claim for delay or additional compensation.

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

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

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

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

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

21. Protected Information

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

22. Background Checks

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

Information. Criminal background checks may be conducted in such depth as the District reasonably determines to be necessary or appropriate for the type of access to be granted.

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

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

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

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

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

24. Contractor Safety Requirements

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

A. General

Initial/Warning Notice: Any District employee may notify the Contractor of any safety or health concern. The notice may be delivered verbally to any Contractor employee or subcontractor and the District employee shall notify the District Representative of the Notice.

Written notification may be provided to the Contractor at the discretion of the District Representative. The notice shall have the same effect on the Contractor regardless of format or recipient. The Contractor shall take immediate action to mitigate the safety and health concerns identified in the District's notice.

- B. Stop Work Order: District employees also have the authority to immediately stop a work activity without issuing the Initial/Warning Notice. The District employee will immediately notify the District Representative of the Stop Work Order. The District Representative may direct the Contractor to stop work due to safety and health concerns. The Stop Work Order may cover all work on the Contract or only a portion of the work. After the District issues a Stop Work Order, the Contractor shall meet with District Representatives (as determined by the District Representative) to present a written statement outlining specific changes and/or measures the Contractor will make to work procedures and/or conditions to improve safety and health. A Stop Work Order can be rescinded only with the written approval of the District Representative.
 - 1. The Contractor shall not be entitled to any adjustment of the Contract price or schedule when the District stops a work activity due to safety and health concerns that occurred under the Contractor's, Subcontractor's, or supplier's control.
 - 2. The District's conduct does not alter or waive the Contractor's safety and health obligations.
 - 3. Contractor shall provide an onsite Safety Professional as directed by the District Representative based upon number and/or severity of identified safety infractions.
 - 4. Non-compliance with safety requirements could lead to termination of the contract in accordance with Section 17.
- C. The Contractor shall maintain an accurate record of, and shall immediately report to the District Representative all cases of near miss or recordable injury as defined by OSHA, damage to District or public property, or occupational diseases arising from, or incident to, performance of work under this Contract.
 - 1. The record and report shall include where the incident occurred, the date of the incident, a brief description of what occurred, and a description of the preventative measures to be taken to avoid recurrence, any restitution or settlement made, and the status of these items. A written report shall be delivered to the District Representative within five business days of any such incident or occurrence.
 - 2. In the event of a serious incident, injury or fatality the immediate group shall stop work. The Contractor/subcontractor shall secure the scene from change until released by the authority having jurisdiction. The Contractor shall collect statements of the crew/witnesses as soon as practical. The District reserves the right to perform an incident investigation in parallel with the Contractor. The Contractor, subcontractor, and their workers shall fully cooperate with the District in this investigation.
 - 3. All cases of death, serious incidents, injuries or other incidents, as determined by the District Representative, shall be investigated by the Contractor to identify all causes and to recommend hazard control measures. A written report of the investigation shall be delivered to the District Representative within 30 calendar days of any such incident or occurrence.

4. For situations that meet the reporting requirements of WAC 296-800, the Contractor shall self-report and notify the District Representative. The District Representative shall notify the District's Safety personnel.
- D. The Contractor/subcontractor shall conduct and document job briefings each morning with safety as an integral part of the briefing. The Contractor/Subcontractor shall provide an equivalent job briefing to personnel and/or visitors entering the job site after the original job briefing has been completed for work within their scope. Immediately upon request, the Contractor shall provide copies of the daily job briefing and any other safety meeting notes to the District Representative. The notes, at a minimum, shall include date, time, topics, and attendees and shall be retained by the Contractor for three years after completion of all work.
- E. Job Site Reviews Performed by the District: The Contractor Site Representative or other lead personnel, if requested by the District, shall be required to participate in District job briefs and/or District job site reviews that pertain to other work being performed that may impact the Contractor's work.
- F. Job Site Reviews Performed by Contractor: Each Contractor and Subcontractor shall perform and document weekly safety reviews of their work area(s) by a competent person as defined by WAC 296-62-020. Immediately upon request, the Contractor shall provide a copy of the documented job site review to the District Representative. Contractor and Subcontractor supervisors/foremen shall take immediate action to correct violations, unsafe practices, and unsafe conditions. The Contractor and Subcontractor shall be solely responsible to review and monitor the work area or location of all their employees during the performance of work.
- G. Site Specific Safety Plan (SSSP): The Contractor shall prepare, implement, and enforce a SSSP for all work included in this Contract. The SSSP shall be delivered to and accepted by the District Representative prior to the start of any on-site work.
 1. The SSSP shall, at a minimum, identify and provide mitigation measures for any recognized hazards or conditions. Site and adjacent conditions shall be considered. All significant hazards, including unusual or unique hazards or conditions specific to the Contract work shall be identified and mitigated. The Contractor shall provide a clear delegation of authority for the work site(s). The Contractor shall identify, locate, and provide direction to the nearest emergency medical facilities. This shall include telephone numbers for emergency services in the area.
 2. The Contractor shall make available to all workers at the site(s) the SSSP and require that all workers are familiar with the content and requirements of the SSSP. Any subcontractors shall adhere to the Contractor's SSSP.
 3. Any emergent hazards not identified in the SSSP shall require a Job Hazard Analysis prior to starting work on the associated job.

In lieu of the SSSP, the District Representative may, at their discretion, accept an Accident Prevention Program implemented and maintained in accordance with Washington state law (WAC 296-155-110).
- H. The District reserves the right to request updated Contractor safety information at any time during the performance of this Contract. Such updated information will be provided on the attached Appendix "I", Contractor Safety Request for Information Form.

- I. Office Work: Contractor personnel who perform work in an office environment at premises owned, leased, possessed, or controlled by the District shall be required to follow at a minimum the following safety and security requirements. This work includes but is not limited to professional services and consulting, technology-related tasks, and training services. Work activities may include working at a desk, attending meetings, touring facilities, and similar activities.
 1. Access: The Security Department administers physical access to District facilities. Contractor personnel shall be issued an ID badge or visitor badge to provide access to work areas as needed per Sections 19 and 20. Workers without authorized access to an area must be escorted at all times. Any person with authorized access may serve as an escort.
 2. Emergency Preparedness: All Contractor personnel, when entering a facility or work area, shall determine the locations of emergency exits, fire extinguishers, first aid kits, AED, and gathering points in case of evacuation.
 3. Housekeeping: Contractor personnel shall keep desks, cubicles, meeting rooms, and all other working areas free from clutter and tripping hazards. Work areas shall be cleaned after use according to applicable guidelines posted by the District in such work areas.

25. Estimates

Estimates, schedules, forecasts, and projections prepared by the Contractor relating to loads, interest rates and other financial analysis parameters, construction costs and schedules, operation and maintenance costs, equipment characteristics and performance, and operating results are opinions based on the Contractor's experience, qualifications, and judgment as a professional. Since the Contractor has no control over weather, cost and availability of labor, cost and availability of material and equipment, cost of fuel or other utilities, labor productivity, construction contractor's procedures and methods, unavoidable delays, construction contractor's methods of determining prices, economic conditions, government regulations and laws (including the interpretation thereof), competitive bidding or market conditions, and other factors affecting such estimates or projections, the Contractor does not guarantee that actual rates, costs, quantities, performance, schedules, etc., will not vary significantly from estimates and projections prepared by the Contractor.

26. Waiver of Consequential Damages

In no event will the Contractor be liable for any special, indirect, or consequential damages including, without limitation, damages or losses in the nature of increased Project costs, loss of revenue or profit, lost production, claims by customers of District, or governmental fines or penalties.

27. Limitation of Liability

To the fullest extent permissible by law, and notwithstanding any other provision of this Agreement, the total liability, in the aggregate, of the Contractor, its officers, directors, shareholders, employees, agents, and consultants, and any of them, to the District and anyone claiming by, through or under the District, for any and all claims, losses, liabilities, costs or damages ("Liabilities") whatsoever arising out of, resulting from or in any way related to the Project

or this Agreement from any form of negligence, professional errors or omissions (including breach of contract or warranty) of the Contractor, its officers, directors, employees, agents or consultants, or any of them, SHALL NOT EXCEED the total compensation actually received by the Contractor under the Task Authorization out of which the Liabilities arose. The parties agree that specific consideration has been given by the Contractor for this limitation and that it is deemed adequate.

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

Public Utility District No. 2
of Grant County, Washington

Burns and McDonnell Engineering, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX “A”
POTENTIAL TASK LISTING – “MASTER AGREEMENT” FOR PROFESSIONAL ENGINEERING SERVICES

- Design and implementation of substations and/or their interconnections.
- Design and implementation of transmission, distribution, and/or substation modifications.
- Design and implementation of transmission motor operated disconnect switches and communications.
- Design and implementation of communication interconnections to motor operated disconnect switches.
- Transmission line structural and/or foundation design.
- Preliminary transmission line and/or foundation design.
- Geotechnical site assessments for structures.
- Detail transmission line design.
- Underground and under built overhead 13.2kV distribution facilities design.
- Joint Use Analysis (Make-ready studies)
- Overhead and underground fiber design, including optical ground wire (OPGW).
- Overhead and underground distribution facility design.
- Development, testing, and implementation of protection settings and/or configurations.
- System protection design, review, configuration, and/or testing.
- Engineering and transmission system studies.
- Transmission line routing studies.
- Cultural resource assessments.
- Rights-of-way services and acquisitions.
- Environmental impact assessments.
- Environmental and/or biological studies.
- Transmission and/or substation protective relaying design.
- Construction management/project inspection.
- Material testing.
- Miscellaneous testing services such as galvanizing, welding, paint adhesion, or corrosion.
- Substation communications, automation, and/or SCADA design.
- Material/equipment investigations and recommendations.
- Substation testing, commissioning, and device configuration.
- Communication, automation, and/or SCADA equipment testing, configuration, SAT, and/or finite element analysis.
- Other tasks as identified and approved.

APPENDIX "B"
SCOPE OF SERVICES REQUIREMENTS

A. PRELIMINARY DESIGN

Products required shall include as a minimum:

1. Design criteria document detailing the criteria established for the project, including design standards to be used, assumptions to be used for design and materials requirements including quality requirements.
2. Drawings showing general concept of design for construction, modification and/or repair, including details of major design components.
3. Technical specifications of major materials to be utilized in the design for the project.
4. Project schedule using MS Project 2003 (or later) or later by critical path method (CPM) showing the tasks for design, procurement, construction and closeout of the project. The schedule shall also show the required resources needed for the project, including the Contractor's and District's resources.
5. Estimated costs of the project by the components of design, procurement, construction and closeout of the project. Shall also include a schedule of costs in relation to the project schedule described above.
6. Photo overlay renderings of proposed transmission, distribution, or substation facilities to aid in planning, right-of-way procurement, and land procurement.

B. DETAIL DESIGN

Products required shall include as a minimum:

1. Detailed drawings showing all aspects in detail of contract/project. These drawings shall be used for obtaining bids from construction contractors then be used for the construction of the project.
2. Technical specifications of all materials and construction methods to be used in construction of the contract/project, including special conditions and requirements of the contract/project based on input from the District. These documents shall be used for obtaining bids from construction contractors then be used for the construction of the project. These documents will be assembled with the District's standards for contract documents and will be issued by the District's Procurement Department.
3. Work order packages containing all materials and construction methods to be used in construction of the project, including special conditions, right of way submittals and permits. These documents shall be used for construction by District forces.
4. Hard copies of final design drawings and reports shall be stamped and signed by the consulting engineer.

C. PROCUREMENT

Products required shall include as a minimum:

1. Engineer's Estimate based on the Contract Documents for comparison to the proposals received by bidders. The estimate shall be in the same format as the Bid form in the Contract Documents.
2. Addenda to the Technical Specifications in the Contract Documents as may be required during the period when the District Call for Bids and the Bid Closing date.
3. Written evaluation of bid proposals received from bidders including a recommendation of contract award and justification of recommendation.

D. CONSTRUCTION ENGINEERING AND MANAGEMENT

Products required shall include as a minimum:

1. Onsite engineering including contract inspection in accordance with the Contract Documents, providing daily reports and recommendations to problems encountered during construction of the project.
2. Review of shop drawings and submittals, provided by the construction contractor, in accordance with the Contract Documents providing approvals as to conformance with the Contract Documents or rejections with justification for rejection.
3. Review of construction contractor's payment requests in accordance with the Contract Documents providing description of conformances or variances.
4. Preparation and justification of construction contract change orders as may be required to complete the project.

E. RIGHTS OF WAY SERVICES

Products required shall include as a minimum:

1. Determination of ownership for land and improvements.
2. Determination of District existing easements, permits, franchises, etc.
3. Preparation of appraisals for parcels and, if appropriate, affected improvements.
4. Preparation of recommendations to District for offers to be made on appropriate easements.
5. Negotiate with owners; secure appropriate options and easements in properly recordable form with necessary signatures; and pay consideration.

F. ENVIRONMENTAL/PERMITTING SERVICES

Products required shall include as a minimum:

1. Biological, cultural, environmental, archeological, field studies/observations, etc.
2. Documentation of the studies and results.
3. Prepare and submit reports.

G. PROJECT CLOSEOUT

Products required shall include as a minimum:

1. Provide the required number of hard and electronic copies of "Operations and Maintenance Manuals" for all project equipment and facilities.
 2. Final project report describing the history of the project from design through construction noting all major components of the project and including detail descriptions of problem or unique area of the project.
 3. Provide "as-built" drawings of the completed construction in electronic format.
 4. Project files in chronological order of all aspects of the project design (including design calculations), procurement and construction of the project.
- H. Provide reports, depositions and testimony as may be required in the course of administering projects. Perform evaluations and analysis of the operation and maintenance practices and troubleshooting of problems encountered by the District in the administration of its transmission and distribution facilities.
- I. **CONTRACTOR EQUIPMENT**

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

- Electronic distance meters
- Wheel type distance meters
- Cellular phones
- Survey chains of any length
- Metal detectors for locating property pins
- Frost pins
- Hammers
- Range rods
- Picks
- Shovels
- Machetes
- Extension rods for measuring heights
- Flagging ribbon
- Stakes (District standard or equivalent)
- Lath (District standard or equivalent)
- Theodolites or total stations
- Rods of any type including single and/or triple mirrors
- Two-way hand-held radios
- Digital cameras
- Laptop computers, iPads, tablets, desktop computers, including any and all computers, disks, printers, storage media, and other computing hardware

J. **SOFTWARE**

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

AutoCAD®
Microsoft® Project
Microsoft® Word
Microsoft® Excel
Power Line Systems, Inc. PLSCADD
Power Line Systems, Inc. CAISSON
Power Line Systems, Inc. PLS POLE
Power Line Systems, Inc. TOWER
Aspen One Liner

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

K. INTERNET

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

L. TELEPHONE

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

M. COMPUTER TIME

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

N. EQUIPMENT AND SOFTWARE

The equipment, tools, software, etc., in Appendix "B" Sections J, K, L, M, and N shall be included in hourly wage overhead as an operating expense. These items shall not appear itemized on invoices. The District expects the contractor to be fully equipped with these items, as needed, to perform the services required.

**APPENDIX “C”
RATE SCHEDULE**

DIRECT EXPENSES:

Rates are stated in US Dollars.

Engineer's Classification Code	Billing Rate Job Description	Maximum Hourly Billing Rate	Classification
A	Project Manager III	\$303.00	Project management
B	Project Manager II	\$292.00	Project management
C	Project Manager I	\$271.00	Project management
D	Professional Process Management	\$181.00	Word processing, Data Entry
E	Engineer V	\$282.00	Detailed design and studies
F	Engineer IV	\$239.00	Detailed design and studies
G	Engineer III	\$219.00	Detailed design and studies
H	Engineer II	\$195.00	Detailed design and studies
I	Engineer I	\$180.00	Detailed design and studies
J	Engineering Technician V	\$193.00	Drafting, Routine design, Material data entry
K	Engineering Technician IV	\$167.00	Drafting, Routine design, Material data entry
L	Engineering Technician III	\$145.00	Drafting, Routine design, Material data entry
M	Engineering Technician II	\$122.00	Drafting, Routine design, Material data entry
N	Engineering Technician I	\$112.00	Drafting, Routine design, Material data entry
O	Construction Manager	N/A	Construction Inspection
P	Construction Inspector	N/A	Construction Inspection
Q	GIS Analyst III	\$210.00	Mapping and geospatial data development
R	GIS Analyst II	\$180.00	Mapping and geospatial data development
S	GIS Analyst I	\$160.00	Mapping and geospatial data development
T	Property Specialist III	\$224.00	Right of Way Acquisition
U	Property Specialist II	\$190.00	Right of Way Acquisition
V	Property Specialist I	\$160.00	Right of Way Acquisition
W	Environmental Specialist III	\$240.00	Environmental Studies (Biologist, Botanist, etc.)
X	Environmental Specialist II	\$190.00	Environmental Studies (Biologist, Botanist, etc.)
Y	Environmental Specialist I	\$160.00	Environmental Studies (Biologist, Botanist, etc.)
Z	Permitting Specialist III	\$240.00	Permit Development and Acquisition

Engineer's Classification Code	Billing Rate Job Description	Maximum Hourly Billing Rate	Classification
AA	Permitting Specialist II	\$196.00	Permit Development and Acquisition
AB	Permitting Specialist I	\$158.00	Permit Development and Acquisition
AC	Public Involvement Specialist III	\$224.00	Public outreach functions
AD	Public Involvement Specialist II	\$179.00	Public outreach functions
AE	Public Involvement Specialist I	\$150.00	Public outreach functions

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

REIMBURSABLE EXPENSES:

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

Meals and Incidental Expenses: Meals and incidental expenses will be limited to the Federal Per Diem rate for meals and incidentals established for the location where lodging is obtained. The current rate for all Grant County locations is \$68.00 per day. Federal Per Diem guidelines which includes the meal breakdown and Federal Per Diem rates for other locations can be found at www.gsa.gov.

Lodging: Lodging will be billed at cost, including applicable taxes, not to exceed 200% of the Federal Per Diem maximum lodging rate for the location where the work is being performed. The current federal maximum lodging rate for all Grant County locations is \$110.00. The District Representative may increase this limit in writing when circumstances require.

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

Sub-consultants/Subcontractors: Services requested by the District, verifiable by applicable supporting documentation or at specified rates, will be reimbursed to Contractor at cost plus a maximum handling charge of 10%.

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

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

APPENDIX "D"
CHANGE ORDER
NO. ____

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

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

Public Utility District No. 2
of Grant County, Washington

Burns and McDonnell Engineering, Inc.

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

APPENDIX "E"
TASK AUTHORIZATION FOR
PROFESSIONAL SERVICES

Contract No.:	130-12765A	Task Authorization No.:		Amendment No.:	
Project Name:					

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

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

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

Public Utility District No. 2
of Grant County, Washington

Burns and McDonnell Engineering, Inc.

Approved for District

Accepted by Contractor

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: District Representative

Title: _____

Date: _____

Date: _____

APPENDIX "F"
NON-DISCLOSURE AGREEMENT

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

RECITALS

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

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

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

NOW, THEREFORE, the Parties agree as follows:

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

3. **Non-Disclosure.** Subject to the provisions of Section 4 and unless the parties agree otherwise, this non-disclosure obligation shall survive the termination of this NDA. Contractor shall not disclose or disseminate Protected Information and shall:
 - A. Restrict disclosure of Protected Information solely to its agents and employees with a need to know and not disclose such Protected Information to any others; and
 - B. Advise and require all of its officers, agents, employees, representatives, prospective and successful subcontractors, consultants and employees thereof with access to the Protected Information to execute an NDA in this same form with the District prior to allowing them access to the Protected Information; and
 - C. Use the Protected Information provided hereunder only for purposes directly related to performance of the work under Contract 130-12765A.
 - D. In the event third parties attempt to obtain the Protected Information by legal process, the Contractor agrees that it will not release or disclose any Protected Information until the District has received notice of the legal process and has been given reasonable opportunity to contest such release of information and/or to assert the confidentiality privilege.
4. **Ownership and Return of Protected Information.** All Protected Information shall remain the property of the District. Contractor is responsible for safeguarding and returning all Protected Information or shall certify, by signed, statement delivered to the District, the destruction of all original Protected Information provided along with any copies made by the Contractor. Such delivery shall be to the District, Attention: Niconia Butler, PO Box 878, Ephrata, WA 98823.
5. **Compliance Audit.** The District may audit Contractor's compliance with this NDA.
6. **Applicable Law.** This NDA is made under, and shall be construed according to, the laws of the State of Washington and the Federal Energy Regulatory Commission regulations. Venue for any action brought pursuant to this NDA shall, at the District's option, be in Grant County Superior Court, Grant County, Washington or in the United States District Court for the Eastern District of Washington.
7. **Assignment.** This NDA may not be assigned.
8. **Violations.** Contractor understands and agrees that the District is providing the Protected Information to Contractor in reliance upon this NDA, and Contractor will be fully responsible to the District for any damages or harm caused to the District by a breach of this NDA by Contractor or any of its officers, directors, agents, employees, subcontractors, consultants or affiliates. Contractor acknowledges and agrees that a breach of any of its promises or agreements contained herein will result in irreparable injury to the District for which there will be no adequate remedy at law, and the District shall be entitled to apply for equitable relief, including injunction and specific performance, in the event of any breach or threatened breach or intended breach of this NDA by Contractor. Such remedies, however, shall not be deemed to be the exclusive remedies for any breach of the Agreement but shall be in addition to all other remedies available at law or in equity. In addition to injunctive relief, civil or criminal penalties may be imposed for each violation of this NDA.
9. **Attorney's Fees.** In the event it is necessary for the District to utilize the services of an attorney

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

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

CONTRACTOR: Name: _____

 Address: _____

 Phone: _____

 Email: _____

 Signature: _____

 Print Name: _____

 Title: _____

 Date: _____

APPENDIX “G”

DEFINITIONS OF PROTECTED INFORMATION

Definition of Critical Infrastructure Protection (CIP)

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

Definition of Critical Energy Infrastructure Information (CEII)

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

Definition of Bulk Electric System Cyber System Information (BCSI)

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

Definition of Security Sensitive Information (SSI)

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

Bulk Electric System (BES)

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

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

Bulk Electric System (BES) Cyber Asset

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

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

Contractor Name: _____ Date: _____

Contract Number: _____ Procurement Officer: _____

Project Manager: _____

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

Accordingly, we certify that:

1. A background check has been conducted on the following employee(s) that includes a seven year criminal history records check, a current residence check and a residence check at other locations where, during the seven years immediately prior to the date of the criminal history records check, the employee has resided for six consecutive months or more; and the assessment of the employee is consistent with the safe and efficient performance of the services and meets the minimum standard for criminal checks as set forth by the attached Evaluation Criteria.
2. Employment eligibility identity verification has been completed to ensure employee is legally permitted to work in the United States. (Citizenship, Federal I-9 form verification)

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

(Do not send actual background check documents)

Name of company where background check was performed: _____

Certified by: _____ Title: _____

Phone No.: _____ Email: _____

Return this form to: CIPDocuments@gcpud.org

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

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

Evaluation Criteria:

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

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

Murder

Kidnapping

Manslaughter

Fraud, theft, and/or robbery

Criminal sexual conduct

Arson

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

Violence related

Honesty related

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

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

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

FOR GRANT PUD USE ONLY

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

Signature of PRA Committee member: _____

APPENDIX "I"
CONTRACTOR SAFETY REQUEST FOR INFORMATION



Contractor Safety Request for Info

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

Years in business under current company name: _____

PRINCIPAL BUSINESS ACTIVITY:

- | | | |
|--|--|---|
| ☐ Blasting/Painting | ☐ Instrumentation | ☐ Machining |
| ☐ Cranes | ☐ Lead/Asbestos Abatement | ☐ Welding/Piping |
| ☐ Excavation | ☐ Cement Work | ☐ Electrical |
| ☐ Heavy Transport | ☐ Drilling | ☐ Other _____ |
| ☐ Labor Service | ☐ General Construction | |
| ☐ Scaffold | ☐ Hydro-Blasting/Cleaning | |

EXPERIENCE MODIFICATION RATE:

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

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

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

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

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

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

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

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

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

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

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

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

If yes, briefly describe the program format and/or attach a copy.		
Do you conduct workplace HSE inspections?	☐ Yes	☐ No
If yes, who conducts this inspection? How often? ☐ Daily ☐ Weekly ☐ Biweekly ☐ Monthly ☐ As Needed		
Is the company a member of any external HSE program that awards certificates of recognition?	☐ Yes	☐ No
If yes, list certificates of recognition your company has received within the past 3 years:		

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

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

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

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

REVIEW/APPROVAL SIGNATURES

GRANT PUD USE ONLY

REQUIRED SIGNATURE

SAFETY: _____ DATE _____

DISTRICT REP. _____ DATE _____

☐ RECEIVED

☐ FURTHER REVIEW

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute new Contract Agreement 130-12765B with Electrical Consultants, Inc. in the amount not to exceed \$5,000,000.00.

MEMORANDUM

October 9, 2025

TO: John Mertlich, General Manager/Chief Executive Officer

VIA: Ty Ehrman, Senior Vice President of Retail Operations ^{OS} TE
Ron Alexander, Vice President of Power Delivery Operations ^{Initial} RA
Dale Campbell, Senior Manager of Power Delivery Engineering ^{OS} DC

FROM: Angel Barahona-Sanchez, TSA Engineering Manager ^{Initial} ABS

SUBJECT: Award of Contracts 130-12765A, 130-12765B, 130-12765C, 130-12765D, 130-12765E, 130-12765F – Professional Services Agreement for Engineering Services

Purpose: To request Commission approval to award Contract 130-12765 to six consulting firms: HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates. The contract is for on-call general professional engineering services for ROW permitting, environmental permitting, transmission, substation, and distribution engineering for Power Delivery Division through December 31, 2030. The not-to-exceed value for each contract is outlined below.

Discussion: The District's Power Delivery Engineering group maintains professional services contracts to provide on-call general professional engineering for services required beyond current available engineering department resources and specialties on variety of analyses, inspections, design and on-going consultation to safely operate, maintain, and improve our electric system. All the current contracts for currently planned tasks are expiring this year. The District's practice is to rebid these types of contracts every 3-5 years to ensure we continue to receive high-quality engineering support for our critical assets.

Twenty-two firms responded to the Request for Proposals (RFP) for this contract. After careful consideration, six professional services contracts are recommended to be issued to the following engineering firms: HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates.

The consultants were selected based on their ability to provide engineering for transmission lines and facilities, substation facilities, distribution line facilities, SCADA projects, power system protection, power system studies, construction management services, right-of-way acquisition, and environmental permitting.

Contractor Selection Process:

Justification: The primary benefit is to ensure the District continues to receive high-quality engineering professional services to support Power Delivery division. By awarding multiple consultants with a variety of expertise, the District will have the ability to choose one of the six consultants depending on the scope of the task and particular expertise of the firm. Another

benefit of multiple contracts is that, where appropriate, we can request proposals from two or more of the firms and select which team will perform the work based on their proposed scope of services, estimated costs and completion schedule. Although all six contracts were written with very similar scope to allow each consultant to provide a wide range of general professional engineering support, it is worth noting that we consider each firm to have a specific area of expertise that make them preferable based on the task.

The recommended contracts are critical to supporting a reliable and timely improvement and expansion of the District's electric system to serve existing customers, as well as the large load growth anticipated. Alternatives to these contracts include hiring additional experienced and knowledgeable technical personnel or extending the anticipated service schedule for new large load or transmission interconnection customers. Hiring additional personnel is problematic, as recruitment of such professional resources has proven difficult in recent times. The alternative of extending large customer load growth or transmission interconnection schedules is also problematic, as "time to market" is a key consideration for most large industrial and transmission interconnection customers seeking to site or expand their business in Grant County. Customers have reported that extending their in-service date beyond our current backlog schedules is likely to make their projects unfeasible in our system.

Consultant-provided engineering services will be required for Power Delivery projects during the 2025-2030 timeframe. Work performed under these contracts will only be assigned to consultants if the scope of an individual project exceeds the capabilities of the District's in-house staff within the required schedule, or if the work requires specialized knowledge or tools that are not economical for the District to purchase. These services are currently anticipated to be utilized for supporting large load interconnections, transmission interconnections, transmission, electric, and SCADA system improvements.

Financial Considerations: The contracts shall have a not to exceed amount of \$5,000,000.00 for HDR, Inc., \$3,000,000.00 for SEL Engineering Services, Inc., \$5,000,000.00 for Electrical Consultants Inc., \$2,000,000.00 for Stanley, Inc., \$4,000,000.00 for Burns McDonnell, and \$4,000,000.00 for Toth & Associates.

Firm Name	Contract Value	Power Delivery Engineering Strengths
HDR	\$5,000,000	Transmission design, ROW permitting, Environmental permitting,
SEL Engineering Services	\$3,000,000	SCADA design and protection studies, system studies
Electrical Consultants Inc.	\$5,000,000	Substation design
Stanley	\$2,000,000	Construction management
Burns McDonnell	\$4,000,000	Distribution design, transmission design, substation design, ROW permitting
Toth & Associates	\$4,000,000	Distribution design, transmission design, substation design, ROW permitting

While it is not anticipated to spend that total amount of money, the not to exceed amounts provide District staff the flexibility to quickly respond to future project needs as identified and approved by the District's project planning and approval established processes.

Billing rates for the individual contracts were evaluated and negotiated by comparing rates between the six firms and existing engineering contracts within the District. The final agreed-upon rates are fair and reasonable based on the type of engineering support required for this contract.

Contract Specifics: The expected completion of these six contracts is December 31, 2030.

Recommendation: Commission approval to award Contracts 130-12765A-F to six engineering consulting firms HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates.

Legal Review: See attached email(s).

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement, effective upon full execution, is by and between Public Utility District No. 2 of Grant County, Washington ("District") and Electrical Consultants, Inc. ("Contractor"). District and Contractor shall each be referred to as a Party or collectively as the Parties;

R e c i t a l s :

The District desires to obtain Professional Engineering Services; and

The District's Vice President of Power Delivery Operations believes professional engineering services are required to meet the District's transmission design, substation design, distribution design, and construction management needs that are above and beyond the ability of the District to perform with existing staff levels; and

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

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

1. Scope of Services

Refer to Appendix "B", Scope of Services Requirements.

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

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

2. Independent Contractor

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

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

3. Term - Schedule

This Agreement shall remain in full force and effect until December 31, 2030 or until terminated pursuant to Section 17.

4. Compensation and Payment

- A. Compensation for services rendered and all reimbursable costs shall be per the rates set forth in Appendix "C", Rate Schedule, which rates and costs shall not be subject to change until two years after the effective date of this Agreement. Any changes to rates and costs shall only be on a prospective basis and shall occur no more frequently than once every calendar year thereafter. Each such change shall not exceed the lesser of i.) 5% or ii.) the percentage increase in the Bureau of Labor Statistics Consumer Price Index (CPI-U) for the West Urban region occurring during the immediately preceding calendar year for which CPI-U data is available. Contractor shall notify the District in writing at least 30 days prior to any such rate increase going into effect. A payment is considered made on the day it is mailed or is sent through electronic or wire transfer.

In no event however, shall the total amount paid to Contractor for services and all reimbursable costs exceed the sum of \$5,000,000.00 USD unless a Change Order authorizing the same is issued in accordance with Section 5 below.

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

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

- C. Invoices shall include the Contract number and a detailed description of the work performed. Any Labor Categories or reimbursable expenses shall be included on the invoice (see Appendix "C").
- D. Payment will be made by the District upon completion of work following District approval of Contractor's invoices. Invoice shall be subject to the review and approval of the District. Invoice shall be in a detailed and clear manner supported by such information the District may require. The District will make payment to Contractor within 30 days after District's receipt and approval of said invoice. Contractor understands and agrees that by executing this Contract with the District, the District shall make payment(s) by automated clearing house (ACH). The District shall not be liable for fees incurred as a result of changes to Contractor's banking information without proper, separate notification to Accounts Payable via email at accountspayable@gcpud.org. Failure of Contractor to properly notify the District of banking changes as specified above shall result in forfeiture of associated fees.
- E. The District Representative may approve additional Contractor employees, personnel categories, and/or equipment rates to be added to the Rate Schedule, if applicable, provided that any additional employees have at least equivalent training and skills and are compensated at the same or lower rates than those listed on the current approved Rate Schedule for similar work. There shall be no change in the total Contract not to exceed

amount. All additions must be approved in writing prior to performing services under the Contract.

5. Change Orders

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

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

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

6. Taxes

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

7. Hold Harmless and Indemnification

Contractor shall, at its sole expense, indemnify, defend, save, and hold harmless the District, its officers, agents, and employees from all actual third party claims or losses, including costs and legal fees at trial and on appeal, and damages or claims for damages to property or persons, suffered by anyone whomsoever, including the District, to the extent caused by any negligent act of or omission of the Contractor or its subcontractors, excluding damages caused by the negligence of the District, in the administration or performance of this Agreement or any subcontracts, and for which either of the parties, their officers, agents, or employees may or shall be liable. In situations where liability for damages arises from claims of bodily injury to persons or damage to property, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Contractor or its subcontractors. Contractor waives its immunity under industrial insurance, Title 51 RCW, to the extent necessary to effectuate this indemnification/hold harmless agreement. Contractor's indemnification obligation shall not apply to liability for damages arising out of bodily injury to a person or damage to property caused by the negligence of the District or its agents or employees and not attributable to any act or omission on the part of the Contractor. In the event of damages to a person or property caused by or resulting from the concurrent negligence of District or its agents or employees and the Contractor or its agents or employees, the Contractor's indemnity obligation shall apply only to the extent of the Contractor's (including that of its agents and employees) negligence. Notwithstanding the foregoing, Contractor's duty to defend shall not require Contractor to provide an upfront defense to District but shall require Contractor to fully reimburse District for reasonable attorney's fees and costs incurred by District, but only to the extent of negligence of Contractor, its agents, employees, contractors or subconsultants.

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

Contractor's total cumulative aggregate liability for all claims of any kind, including delay or liquidated damages, whether based on contract, tort (including negligence and strict liability), under any warranty, indemnity or otherwise, arising from or related in any way to this Agreement or performance or failure of performance of Contractor's obligations shall be limited to the greater of 2x the value of the individual Task Authorization under which the claim arose or \$1,000,000.00.

Except for damages arising as a result of a Party's negligence or willful misconduct, neither Party shall be liable to the other Party for loss of profits or revenue, loss of use or opportunity, loss of goodwill, cost of capital, or for any other special, consequential, indirect, punitive or exemplary damages.

8. Insurance

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

Contractor Required Insurance

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

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

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

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

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

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

4. **Excess Insurance:** Excess (or Umbrella) Liability insurance with a **minimum limit of \$5,000,000 per occurrence and in the aggregate**. This insurance shall provide coverage in excess of the underlying primary liability limits, terms, and conditions for each category of liability insurance in the foregoing subsections 1, 2 (Employer's Liability only) and 3. If this insurance is written on a claims-made policy form, then the policy shall be endorsed to include an automatic extended reporting period of at least five years or the statute of repose.

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

5. **Professional Liability:** Contractor shall provide professional liability insurance with a **minimum limit of \$5,000,000 per claim**.

If such policy is written on a claims made form, the retroactive date shall be prior to or coincident with the Effective Date of this Agreement. Claims made form coverage shall be maintained by the Contractor for a minimum of three years following the termination of this Agreement, and the Contractor shall annually provide the District with proof of renewal. If renewal of the claims made form of coverage becomes unavailable, or economically prohibitive, the Contractor shall purchase an Extended Reporting Period Tail or execute another form of guarantee acceptable to the District to assure financial responsibility for liability for services performed.

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

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

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

The District shall have the right but not the obligation of prohibiting the Contractor or subcontractor from entering the project site until such certificates or other evidence of

insurance has been provided in full compliance with these requirements. If the Contractor fails to maintain insurance as set forth above, the District may purchase such insurance at the Contractor's expense. The Contractor's failure to maintain the required insurance may result in termination of this Contract at the District's option.

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

9. Assignment

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

10. Records - Audit

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

11. Nondisclosure

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

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

12. Public Records Act

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

- A. The District will not contact Contractor when records the District has received are responsive to a request for public record that would result in these records being released.
- B. Marking pages "confidential" or "proprietary" does not prevent them from release. The District will review for any records that meet the proprietary exemption in RCW 42.56.270(11). The District will either claim the exemption for Contractor, or if there is any question as to its validity, the District may contact Contractor about claiming the exemption.
- C. Other items that may be provided by Contractor that are NOT exempt from disclosure: Employee wages, equipment and material costs.
- D. Having a Non-Disclosure Agreement (NDA) with the District does not preclude the District from releasing these records. The courts have ruled that not all NDAs are enforceable in response to requests for public records.
- E. District scoring/evaluation forms are not exempt from disclosure once the Agreement has been awarded.

13. Applicable Law

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

14. Subcontracts/Purchases

- A. The Contractor is authorized to enter into subcontracts and to make purchases of materials and equipment required for the work. Any material purchases and subcontracts shall be approved in advance by the District Representative and Procurement Officer.
- B. Whenever the cost for any single item of material is estimated to exceed \$5,000.00, the Contractor shall obtain three quotes and submit to the Procurement Officer for approval. These quotes shall be submitted for approval prior to purchasing the material. Approved material shall be invoiced at cost plus the percentage markup identified in Appendix "C". A copy of the invoice showing actual cost must be submitted with the Contractor's invoice to the District. In addition, if prevailing wages apply to the material purchase, a copy of the associated Intent to Pay Prevailing Wages and Affidavit of Wages Paid must be attached. In no event shall a material purchase of like items exceed \$15,000.00.
- C. Before entering into any subcontracts, the Contractor shall provide the District Representative and Procurement Officer with the proposed subcontractor agreement. Subcontracted work approved in accordance with this section shall be invoiced at cost plus the percentage markup identified in Appendix "C". A copy of the invoice showing actual cost must be submitted with the Contractor's invoice to the District. In addition, if prevailing wages apply to the services provided, a copy of the subcontractors Intent to Pay Prevailing Wages and Affidavit of Wages Paid must be attached in order for payment to be made for that particular work. In no event shall a labor subcontract exceed \$25,000.00.

15. Notices

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

District
 Randy Kono
 Public Utility District No. 2
 of Grant County, Washington
 PO Box 878
 154 A Street SE
 Ephrata, WA 98823
 (509) 793-1422
Rkono@gcpud.org

Contractor
 Electrical Consultants, Inc.
 3521 Gabel Road
 Billings, MT 59102
 Attn: President
dick.mccomish@eciusa.com
 With a copy to:
 Attn: Chief Legal Officer
kevin.freeman@eciusa.com

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

16. Ownership of Work Product/Copyright

- A. All rights in the various work produced for or under this Agreement, including but not limited to study plans, results, drafts, charts, graphs, videos, summaries and any other forms of presentation, collectively referred to as "Work Product" shall belong to and be the

exclusive property of the District. Contractor shall not use the Work Product outside the scope of this Contract without express written permission from the District.

- B. Contractor acknowledges and agrees that all services/work are specifically ordered under an agreement with Public Utility District No. 2 of Grant County, Washington, and shall be considered "work made for hire" and "Work Product" for purposes of copyright. All copyright interest in Work Product shall belong to and be the exclusive property of the District.
- C. Contractor shall attach and require each of its subcontractors to attach the following statement to all Work Product:

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

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

- D. Upon final acceptance or termination of this Agreement, Contractor shall immediately turn over to the District all Work Product. This does not prevent the Contractor from making a file copy for their records.

17. Termination

- A. District may, at any time, for any reason, terminate Contractor's services in connection with this Agreement, or any part thereof, by designating that portion of the services to be terminated. In case of termination pursuant to this Section A, District will make payment at the rates specified in this Agreement for services properly performed up to the date of termination. However, in no event shall Contractor be entitled to any other payment to or any anticipated fee or profit on unperformed work.
- B. In the event of Contractor's breach or abandonment of this Contract, the District may thereupon and without further notice, terminate this Agreement. The District without waiving any other remedies available to it, may retain any monies otherwise due Contractor under this Agreement to the extent such sums are required to compensate District, in whole or in part, for any loss or damage caused by Contractor's breach or abandonment.

18. Non-Waiver

No waiver of any provision of this Agreement, or any rights or obligations of either Party under this Agreement, shall be effective, except pursuant to a written instrument signed by the Party or Parties waiving compliance, and any such waiver shall be effective only in the specific instance and for the specific purpose stated in such writing. The failure of either Party to require the performance of any term of this Agreement or the waiver of either Party of any breach under this

Agreement shall not operate or be construed as a waiver of any other provision hereof, nor shall it be construed as a waiver of any subsequent breach by the other Party hereto.

19. Physical Security

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

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

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

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

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

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

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

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

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

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

21. Protected Information

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

22. Background Checks

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

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

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

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

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

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

24. Contractor Safety Requirements

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

A. General

Initial/Warning Notice: Any District employee may notify the Contractor of any safety or health concern. The notice may be delivered verbally to any Contractor employee or subcontractor and the District employee shall notify the District Representative of the Notice. Written notification may be provided to the Contractor at the discretion of the District Representative. The notice shall have the same effect on the Contractor regardless of format or recipient. The Contractor shall take immediate action to mitigate the safety and health concerns identified in the District's notice.

- B. Stop Work Order: District employees also have the authority to immediately stop a work activity without issuing the Initial/Warning Notice. The District employee will immediately notify the District Representative of the Stop Work Order. The District Representative may direct the Contractor to stop work due to safety and health concerns. The Stop Work Order may cover all work on the Contract or only a portion of the work. After the District issues a Stop Work Order, the Contractor shall meet with District Representatives (as determined by the District Representative) to present a written statement outlining specific changes and/or measures the Contractor will make to work procedures and/or conditions to improve safety and health. A Stop Work Order can be rescinded only with the written approval of the District Representative.
1. The Contractor shall not be entitled to any adjustment of the Contract price or schedule when the District stops a work activity due to safety and health concerns that occurred under the Contractor's, Subcontractor's, or supplier's control.
 2. The District's conduct does not alter or waive the Contractor's safety and health obligations.
 3. Contractor shall provide an onsite Safety Professional as directed by the District Representative based upon number and/or severity of identified safety infractions.
 4. Non-compliance with safety requirements could lead to termination of the contract in accordance with Section 17.
- C. The Contractor shall maintain an accurate record of, and shall immediately report to the District Representative all cases of near miss or recordable injury as defined by OSHA, damage to District or public property, or occupational diseases arising from, or incident to, performance of work under this Contract.
1. The record and report shall include where the incident occurred, the date of the incident, a brief description of what occurred, and a description of the preventative measures to be taken to avoid recurrence, any restitution or settlement made, and the status of these items. A written report shall be delivered to the District Representative within five business days of any such incident or occurrence.
 2. In the event of a serious incident, injury or fatality the immediate group shall stop work. The Contractor/subcontractor shall secure the scene from change until released by the authority having jurisdiction. The Contractor shall collect statements of the crew/witnesses as soon as practical. The District reserves the right to perform an incident investigation in parallel with the Contractor. The Contractor, subcontractor, and their workers shall fully cooperate with the District in this investigation.
 3. All cases of death, serious incidents, injuries or other incidents, as determined by the District Representative, shall be investigated by the Contractor to identify all causes and to recommend hazard control measures. A written report of the investigation

shall be delivered to the District Representative within 30 calendar days of any such incident or occurrence.

4. For situations that meet the reporting requirements of WAC 296-800, the Contractor shall self-report and notify the District Representative. The District Representative shall notify the District's Safety personnel.
- D. The Contractor/subcontractor shall conduct and document job briefings each morning with safety as an integral part of the briefing. The Contractor/Subcontractor shall provide an equivalent job briefing to personnel and/or visitors entering the job site after the original job briefing has been completed for work within their scope. Immediately upon request, the Contractor shall provide copies of the daily job briefing and any other safety meeting notes to the District Representative. The notes, at a minimum, shall include date, time, topics, and attendees and shall be retained by the Contractor for three years after completion of all work.
- E. Job Site Reviews Performed by the District: The Contractor Site Representative or other lead personnel, if requested by the District, shall be required to participate in District job briefs and/or District job site reviews that pertain to other work being performed that may impact the Contractor's work.
- F. Job Site Reviews Performed by Contractor: Each Contractor and Subcontractor shall perform and document weekly safety reviews of their work area(s) by a competent person as defined by WAC 296-62-020. Immediately upon request, the Contractor shall provide a copy of the documented job site review to the District Representative. Contractor and Subcontractor supervisors/foremen shall take immediate action to correct violations, unsafe practices, and unsafe conditions. The Contractor and Subcontractor shall be solely responsible to review and monitor the work area or location of all their employees during the performance of work.
- G. Site Specific Safety Plan (SSSP): The Contractor shall prepare, implement, and enforce a SSSP for all work included in this Contract. The SSSP shall be delivered to and accepted by the District Representative prior to the start of any on-site work.
1. The SSSP shall, at a minimum, identify and provide mitigation measures for any recognized hazards or conditions. Site and adjacent conditions shall be considered. All significant hazards, including unusual or unique hazards or conditions specific to the Contract work shall be identified and mitigated. The Contractor shall provide a clear delegation of authority for the work site(s). The Contractor shall identify, locate, and provide direction to the nearest emergency medical facilities. This shall include telephone numbers for emergency services in the area.
 2. The Contractor shall make available to all workers at the site(s) the SSSP and ensure that all workers are familiar with the content and requirements of the SSSP. Any subcontractors shall adhere to the Contractor's SSSP.
 3. Any emergent hazards not identified in the SSSP shall require a Job Hazard Analysis prior to starting work on the associated job.

In lieu of the SSSP, the District Representative may, at their discretion, accept an Accident Prevention Program implemented and maintained in accordance with Washington state law (WAC 296-155-110).

- H. The District reserves the right to request updated Contractor safety information at any time during the performance of this Contract. Such updated information will be provided on the attached Appendix "I", Contractor Safety Request for Information Form.
- I. Office Work: Contractor personnel who perform work in an office environment at premises owned, leased, possessed, or controlled by the District shall be required to follow at a minimum the following safety and security requirements. This work includes but is not limited to professional services and consulting, technology-related tasks, and training services. Work activities may include working at a desk, attending meetings, touring facilities, and similar activities.
1. Access: The Security Department administers physical access to District facilities. Contractor personnel shall be issued an ID badge or visitor badge to provide access to work areas as needed per Sections 19 and 20. Workers without authorized access to an area must be escorted at all times. Any person with authorized access may serve as an escort.
 2. Emergency Preparedness: All Contractor personnel, when entering a facility or work area, shall determine the locations of emergency exits, fire extinguishers, first aid kits, AED, and gathering points in case of evacuation.
 3. Housekeeping: Contractor personnel shall keep desks, cubicles, meeting rooms, and all other working areas free from clutter and tripping hazards. Work areas shall be cleaned after use according to applicable guidelines posted by the District in such work areas.

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

Public Utility District No. 2
of Grant County, Washington

Electrical Consultants, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX “A”
POTENTIAL TASK LISTING – “MASTER AGREEMENT” FOR PROFESSIONAL ENGINEERING SERVICES

- Design and implementation of substations and/or their interconnections.
- Design and implementation of transmission, distribution, and/or substation modifications.
- Design and implementation of transmission motor operated disconnect switches and communications.
- Design and implementation of communication interconnections to motor operated disconnect switches.
- Transmission line structural and/or foundation design.
- Preliminary transmission line and/or foundation design.
- Geotechnical site assessments for structures.
- Detail transmission line design.
- Underground and under built overhead 13.2kV distribution facilities design.
- Joint Use Analysis (Make-ready studies)
- Overhead and underground fiber design, including optical ground wire (OPGW).
- Overhead and underground distribution facility design.
- Development, testing, and implementation of protection settings and/or configurations.
- System protection design, review, configuration, and/or testing.
- Engineering and transmission system studies.
- Transmission line routing studies.
- Cultural resource assessments.
- Rights-of-way services and acquisitions.
- Environmental impact assessments.
- Environmental and/or biological studies.
- Transmission and/or substation protective relaying design.
- Construction management/project inspection.
- Material testing.
- Miscellaneous testing services such as galvanizing, welding, paint adhesion, or corrosion.
- Substation communications, automation, and/or SCADA design.
- Material/equipment investigations and recommendations.
- Substation testing, commissioning, and device configuration.
- Communication, automation, and/or SCADA equipment testing, configuration, SAT, and/or finite element analysis.
- Other tasks as identified and approved.

APPENDIX "B"
SCOPE OF SERVICES REQUIREMENTS

A. PRELIMINARY DESIGN

Products required shall include as a minimum:

1. Design criteria document detailing the criteria established for the project, including design standards to be used, assumptions to be used for design and materials requirements including quality requirements.
2. Drawings showing general concept of design for construction, modification and/or repair, including details of major design components.
3. Technical specifications of major materials to be utilized in the design for the project.
4. Project schedule using MS Project 2003 (or later) or later by critical path method (CPM) showing the tasks for design, procurement, construction and closeout of the project. The schedule shall also show the required resources needed for the project, including the Contractor's and District's resources.
5. Estimated costs of the project by the components of design, procurement, construction and closeout of the project. Shall also include a schedule of costs in relation to the project schedule described above.
6. Photo overlay renderings of proposed transmission, distribution, or substation facilities to aid in planning, right-of-way procurement, and land procurement.

B. DETAIL DESIGN

Products required shall include as a minimum:

1. Detailed drawings showing all aspects in detail of contract/project. These drawings shall be used for obtaining bids from construction contractors then be used for the construction of the project.
2. Technical specifications of all materials and construction methods to be used in construction of the contract/project, including special conditions and requirements of the contract/project based on input from the District. These documents shall be used for obtaining bids from construction contractors then be used for the construction of the project. These documents will be assembled with the District's standards for contract documents and will be issued by the District's Procurement Department.
3. Work order packages containing all materials and construction methods to be used in construction of the project, including special conditions, right of way submittals and permits. These documents shall be used for construction by District forces.
4. Hard copies of final design drawings and reports shall be stamped and signed by the consulting engineer.

C. PROCUREMENT

Products required shall include as a minimum:

1. Engineer's Estimate based on the Contract Documents for comparison to the proposals received by bidders. The estimate shall be in the same format as the Bid form in the Contract Documents.
2. Addenda to the Technical Specifications in the Contract Documents as may be required during the period when the District Call for Bids and the Bid Closing date.
3. Written evaluation of bid proposals received from bidders including a recommendation of contract award and justification of recommendation.

D. CONSTRUCTION ENGINEERING AND MANAGEMENT

Products required shall include as a minimum:

1. Onsite engineering including contract inspection in accordance with the Contract Documents, providing daily reports and recommendations to problems encountered during construction of the project.
2. Review of shop drawings and submittals, provided by the construction contractor, in accordance with the Contract Documents providing approvals as to conformance with the Contract Documents or rejections with justification for rejection.
3. Review of construction contractor's payment requests in accordance with the Contract Documents providing description of conformances or variances.
4. Preparation and justification of construction contract change orders as may be required to complete the project.

E. RIGHTS OF WAY SERVICES

Products required shall include as a minimum:

1. Determination of ownership for land and improvements.
2. Determination of District existing easements, permits, franchises, etc.
3. Preparation of appraisals for parcels and, if appropriate, affected improvements.
4. Preparation of recommendations to District for offers to be made on appropriate easements.
5. Negotiate with owners; secure appropriate options and easements in properly recordable form with necessary signatures; and pay consideration.

F. ENVIRONMENTAL/PERMITTING SERVICES

Products required shall include as a minimum:

1. Biological, cultural, environmental, archeological, field studies/observations, etc.
2. Documentation of the studies and results.
3. Prepare and submit reports.

G. PROJECT CLOSEOUT

Products required shall include as a minimum:

1. Provide the required number of hard and electronic copies of "Operations and Maintenance Manuals" for all project equipment and facilities.
 2. Final project report describing the history of the project from design through construction noting all major components of the project and including detail descriptions of problem or unique area of the project.
 3. Provide "as-built" drawings of the completed construction in electronic format.
 4. Project files in chronological order of all aspects of the project design (including design calculations), procurement and construction of the project.
- H. Provide reports, depositions and testimony as may be required in the course of administering projects. Perform evaluations and analysis of the operation and maintenance practices and troubleshooting of problems encountered by the District in the administration of its transmission and distribution facilities.
- I. **CONTRACTOR EQUIPMENT**

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

- Electronic distance meters
- Wheel type distance meters
- Cellular phones
- Survey chains of any length
- Metal detectors for locating property pins
- Frost pins
- Hammers
- Range rods
- Picks
- Shovels
- Machetes
- Extension rods for measuring heights
- Flagging ribbon
- Stakes (District standard or equivalent)
- Lath (District standard or equivalent)
- Theodolites or total stations
- Rods of any type including single and/or triple mirrors
- Two-way hand-held radios
- Digital cameras
- Laptop computers, iPads, tablets, desktop computers, including any and all computers, disks, printers, storage media, and other computing hardware

J. **SOFTWARE**

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

AutoCAD®
Microsoft® Project
Microsoft® Word
Microsoft® Excel
Power Line Systems, Inc. PLSCADD
Power Line Systems, Inc. CAISSON
Power Line Systems, Inc. PLS POLE
Power Line Systems, Inc. TOWER
Aspen One Liner

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

K. INTERNET

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

L. TELEPHONE

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

M. COMPUTER TIME

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

N. EQUIPMENT AND SOFTWARE

The equipment, tools, software, etc., in Appendix “B” Sections J, K, L, M, and N shall be included in hourly wage overhead as an operating expense. These items shall not appear itemized on invoices. The District expects the contractor to be fully equipped with these items, as needed, to perform the services required.

**APPENDIX “C”
RATE SCHEDULE**

DIRECT EXPENSES:

Rates are stated in US Dollars.

Engineer's Classification Code	Billing Rate Job Description	Maximum Hourly Billing Rate	Classification
A	Project Manager III	\$246.00	Project management
B	Project Manager II	\$218.00	Project management
C	Project Manager I	\$198.00	Project management
D	Professional Process Management	\$82.00	Word processing, Data Entry
E	Engineer V	\$213.00	Detailed design and studies
F	Engineer IV	\$180.00	Detailed design and studies
G	Engineer III	\$171.00	Detailed design and studies
H	Engineer II	\$149.00	Detailed design and studies
I	Engineer I	\$138.00	Detailed design and studies
J	Engineering Technician V	\$177.00	Drafting, Routine design, Material data entry
K	Engineering Technician IV	\$166.00	Drafting, Routine design, Material data entry
L	Engineering Technician III	\$146.00	Drafting, Routine design, Material data entry
M	Engineering Technician II	\$127.00	Drafting, Routine design, Material data entry
N	Engineering Technician I	\$108.00	Drafting, Routine design, Material data entry
O	Construction Manager	\$237.00	Construction Inspection
P	Construction Inspector	\$146.00	Construction Inspection
Q	GIS Analyst III	\$169.00	Mapping and geospatial data development
R	GIS Analyst II	\$146.00	Mapping and geospatial data development
S	GIS Analyst I	\$97.00	Mapping and geospatial data development
T	Property Specialist III	\$180.00	Right of Way Acquisition
U	Property Specialist II	\$152.00	Right of Way Acquisition
V	Property Specialist I	\$101.00	Right of Way Acquisition
W	Environmental Specialist III	\$175.00	Environmental Studies (Biologist, Botanist, etc.)
X	Environmental Specialist II	\$158.00	Environmental Studies (Biologist, Botanist, etc.)
Y	Environmental Specialist I	\$130.00	Environmental Studies (Biologist, Botanist, etc.)
Z	Permitting Specialist III	\$204.00	Permit Development and Acquisition

Engineer's Classification Code	Billing Rate Job Description	Maximum Hourly Billing Rate	Classification
AA	Permitting Specialist II	\$158.00	Permit Development and Acquisition
AB	Permitting Specialist I	\$130.00	Permit Development and Acquisition
AC	Public Involvement Specialist III	\$198.00	Public outreach functions
AD	Public Involvement Specialist II	\$158.00	Public outreach functions
AE	Public Involvement Specialist I	\$130.00	Public outreach functions
AF	Project Manager IV	\$277.00	Project Management

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

REIMBURSABLE EXPENSES:

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

Meals and Incidental Expenses: Meals and incidental expenses will be limited to the Federal Per Diem rate for meals and incidentals established for the location where lodging is obtained. The current rate for all Grant County locations is \$68.00 per day. Federal Per Diem guidelines which includes the meal breakdown and Federal Per Diem rates for other locations can be found at www.gsa.gov.

Lodging: Lodging will be billed at cost, including applicable taxes, not to exceed 200% of the Federal Per Diem maximum lodging rate for the location where the work is being performed. The current federal maximum lodging rate for all Grant County locations is \$110.00. The District Representative may increase this limit in writing when circumstances require.

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

Sub-consultants/Subcontractors: Services requested by the District, verifiable by applicable supporting documentation or at specified rates, will be reimbursed to Contractor at cost plus a maximum handling charge of 10%.

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

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

APPENDIX "D"
CHANGE ORDER
NO. ____

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

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

Public Utility District No. 2
of Grant County, Washington

TBD

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

APPENDIX "E"
TASK AUTHORIZATION FOR
PROFESSIONAL SERVICES

Contract No.:	130-12765B	Task Authorization No.:		Amendment No.:	
Project Name:					

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

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

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

Public Utility District No. 2
of Grant County, Washington

Electrical Consultants, Inc.

Approved for District

Accepted by Contractor

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: District Representative

Title: _____

Date: _____

Date: _____

APPENDIX "F"
NON-DISCLOSURE AGREEMENT

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

RECITALS

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

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

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

NOW, THEREFORE, the Parties agree as follows:

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

3. **Non-Disclosure.** Subject to the provisions of Section 4 and unless the parties agree otherwise, this non-disclosure obligation shall survive the termination of this NDA. Contractor shall not disclose or disseminate Protected Information and shall:
 - A. Restrict disclosure of Protected Information solely to its agents and employees with a need to know and not disclose such Protected Information to any others; and
 - B. Advise and require all of its officers, agents, employees, representatives, prospective and successful subcontractors, consultants and employees thereof with access to the Protected Information to execute an NDA in this same form with the District prior to allowing them access to the Protected Information; and
 - C. Use the Protected Information provided hereunder only for purposes directly related to performance of the work under 130-12765B.
 - D. In the event third parties attempt to obtain the Protected Information by legal process, the Contractor agrees that it will not release or disclose any Protected Information until the District has received notice of the legal process and has been given reasonable opportunity to contest such release of information and/or to assert the confidentiality privilege.
4. **Ownership and Return of Protected Information.** All Protected Information shall remain the property of the District. Contractor is responsible for safeguarding and returning all Protected Information or shall certify, by signed, statement delivered to the District, the destruction of all original Protected Information provided along with any copies made by the Contractor. Such delivery shall be to the District, Attention: Nicona Butler, PO Box 878, Ephrata, WA 98823.
5. **Compliance Audit.** The District may audit Contractor's compliance with this NDA.
6. **Applicable Law.** This NDA is made under, and shall be construed according to, the laws of the State of Washington and the Federal Energy Regulatory Commission regulations. Venue for any action brought pursuant to this NDA shall, at the District's option, be in Grant County Superior Court, Grant County, Washington or in the United States District Court for the Eastern District of Washington.
7. **Assignment.** This NDA may not be assigned.
8. **Violations.** Contractor understands and agrees that the District is providing the Protected Information to Contractor in reliance upon this NDA, and Contractor will be fully responsible to the District for any damages or harm caused to the District by a breach of this NDA by Contractor or any of its officers, directors, agents, employees, subcontractors, consultants or affiliates. Contractor acknowledges and agrees that a breach of any of its promises or agreements contained herein will result in irreparable injury to the District for which there will be no adequate remedy at law, and the District shall be entitled to apply for equitable relief, including injunction and specific performance, in the event of any breach or threatened breach or intended breach of this NDA by Contractor. Such remedies, however, shall not be deemed to be the exclusive remedies for any breach of the Agreement but shall be in addition to all other remedies available at law or in equity. In addition to injunctive relief, civil or criminal penalties may be imposed for each violation of this NDA.
9. **Attorney's Fees.** In the event it is necessary for the District to utilize the services of an attorney

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

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

CONTRACTOR: Name: _____

 Address: _____

 Phone: _____

 Email: _____

 Signature: _____

 Print Name: _____

 Title: _____

 Date: _____

APPENDIX “G”

DEFINITIONS OF PROTECTED INFORMATION

Definition of Critical Infrastructure Protection (CIP)

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

Definition of Critical Energy Infrastructure Information (CEII)

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

Definition of Bulk Electric System Cyber System Information (BCSI)

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

Definition of Security Sensitive Information (SSI)

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

Bulk Electric System (BES)

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

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

Bulk Electric System (BES) Cyber Asset

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



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

Contractor Name: _____ Date: _____

Contract Number: _____ Procurement Officer: _____

Project Manager: _____

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

Accordingly, we certify that:

1. A background check has been conducted on the following employee(s) that includes a seven year criminal history records check, a current residence check and a residence check at other locations where, during the seven years immediately prior to the date of the criminal history records check, the employee has resided for six consecutive months or more; and the assessment of the employee is consistent with the safe and efficient performance of the services and meets the minimum standard for criminal checks as set forth by the attached Evaluation Criteria.
2. Employment eligibility identity verification has been completed to ensure employee is legally permitted to work in the United States. (Citizenship, Federal I-9 form verification)

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

(Do not send actual background check documents)

Name of company where background check was performed: _____

Certified by: _____ Title: _____

Phone No.: _____ Email: _____

Return this form to: CIPDocuments@gcpud.org

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

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

Evaluation Criteria:

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

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

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

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

- Violence related
- Honesty related

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

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

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

FOR GRANT PUD USE ONLY

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

Signature of PRA Committee member: _____

APPENDIX "I"
CONTRACTOR SAFETY REQUEST FOR INFORMATION



Contractor Safety Request for Info

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

Years in business under current company name: _____

PRINCIPAL BUSINESS ACTIVITY:

- | | | |
|--|--|---|
| ☐ Blasting/Painting | ☐ Instrumentation | ☐ Machining |
| ☐ Cranes | ☐ Lead/Asbestos Abatement | ☐ Welding/Piping |
| ☐ Excavation | ☐ Cement Work | ☐ Electrical |
| ☐ Heavy Transport | ☐ Drilling | ☐ Other _____ |
| ☐ Labor Service | ☐ General Construction | |
| ☐ Scaffold | ☐ Hydro-Blasting/Cleaning | |

EXPERIENCE MODIFICATION RATE:

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

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

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

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

- ☐ Check this box if your company has less than the minimum number of employees required by law to carry workers' compensation insurance or if your company does not have an EMR. (If checked, provide a letter from your insurance company stating this.)

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

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

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

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

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

Does your company have a written HSE program?	☐ Yes	☐ No
If yes, attach a copy or a summary of your program, including HSE policy you may have.		
Have an orientation program for new hires?	☐ Yes	☐ No
Have training program for newly hired/promoted foremen and supervisors?	☐ Yes	☐ No
Do you hold workplace HSE meetings for supervisors?	☐ Yes	☐ No
If yes, how often? ☐ Daily ☐ Weekly ☐ Biweekly ☐ Monthly ☐ As Needed		
Do you hold employee “toolbox” HSE meetings?	☐ Yes	☐ No
If yes, how often? ☐ Daily ☐ Weekly ☐ Biweekly ☐ Monthly ☐ As Needed		
Do you conduct pre-task HSE planning meetings with employees?	☐ Yes	☐ No
If yes, briefly describe the program format and/or attach a copy.		
Do you conduct workplace HSE inspections?	☐ Yes	☐ No
If yes, who conducts this inspection?		
How often? ☐ Daily ☐ Weekly ☐ Biweekly ☐ Monthly ☐ As Needed		
Is the company a member of any external HSE program that awards certificates of recognition?	☐ Yes	☐ No

If yes, list certificates of recognition your company has received within the past 3 years:

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

	High-Pressure Water Cleaning			
	Hot Taps			
	Noise/Hearing Conservation			
	Heat/Cold stress			
	Incentives/Awards for HSE Achievements			
	Spill Prevention/Response			
	Dust Suppression			
	Wastewater/Storm Water Management			
	Hazardous Waste and Solid Waste Management			
	Equipment Emissions			
	Wetlands/Sensitive Habitats			

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

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

REVIEW/APPROVAL SIGNATURES
GRANT PUD USE ONLY

REQUIRED SIGNATURE	
SAFETY: _____ DATE _____	
DISTRICT REP. _____ DATE _____	☐ RECEIVED ☐ FURTHER REVIEW

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute new Contract Agreement 130-12765C with HDR Engineering, Inc. in the amount not to exceed \$5,000,000.00.

MEMORANDUM

October 9, 2025

TO: John Mertlich, General Manager/Chief Executive Officer

VIA: Ty Ehrman, Senior Vice President of Retail Operations ^{OS} TE
Ron Alexander, Vice President of Power Delivery Operations ^{Initial} RA
Dale Campbell, Senior Manager of Power Delivery Engineering ^{OS} DC

FROM: Angel Barahona-Sanchez, TSA Engineering Manager ^{Initial} ABS

SUBJECT: Award of Contracts 130-12765A, 130-12765B, 130-12765C, 130-12765D, 130-12765E, 130-12765F – Professional Services Agreement for Engineering Services

Purpose: To request Commission approval to award Contract 130-12765 to six consulting firms: HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates. The contract is for on-call general professional engineering services for ROW permitting, environmental permitting, transmission, substation, and distribution engineering for Power Delivery Division through December 31, 2030. The not-to-exceed value for each contract is outlined below.

Discussion: The District's Power Delivery Engineering group maintains professional services contracts to provide on-call general professional engineering for services required beyond current available engineering department resources and specialties on variety of analyses, inspections, design and on-going consultation to safely operate, maintain, and improve our electric system. All the current contracts for currently planned tasks are expiring this year. The District's practice is to rebid these types of contracts every 3-5 years to ensure we continue to receive high-quality engineering support for our critical assets.

Twenty-two firms responded to the Request for Proposals (RFP) for this contract. After careful consideration, six professional services contracts are recommended to be issued to the following engineering firms: HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates.

The consultants were selected based on their ability to provide engineering for transmission lines and facilities, substation facilities, distribution line facilities, SCADA projects, power system protection, power system studies, construction management services, right-of-way acquisition, and environmental permitting.

Contractor Selection Process:

Justification: The primary benefit is to ensure the District continues to receive high-quality engineering professional services to support Power Delivery division. By awarding multiple consultants with a variety of expertise, the District will have the ability to choose one of the six consultants depending on the scope of the task and particular expertise of the firm. Another

benefit of multiple contracts is that, where appropriate, we can request proposals from two or more of the firms and select which team will perform the work based on their proposed scope of services, estimated costs and completion schedule. Although all six contracts were written with very similar scope to allow each consultant to provide a wide range of general professional engineering support, it is worth noting that we consider each firm to have a specific area of expertise that make them preferable based on the task.

The recommended contracts are critical to supporting a reliable and timely improvement and expansion of the District's electric system to serve existing customers, as well as the large load growth anticipated. Alternatives to these contracts include hiring additional experienced and knowledgeable technical personnel or extending the anticipated service schedule for new large load or transmission interconnection customers. Hiring additional personnel is problematic, as recruitment of such professional resources has proven difficult in recent times. The alternative of extending large customer load growth or transmission interconnection schedules is also problematic, as "time to market" is a key consideration for most large industrial and transmission interconnection customers seeking to site or expand their business in Grant County. Customers have reported that extending their in-service date beyond our current backlog schedules is likely to make their projects unfeasible in our system.

Consultant-provided engineering services will be required for Power Delivery projects during the 2025-2030 timeframe. Work performed under these contracts will only be assigned to consultants if the scope of an individual project exceeds the capabilities of the District's in-house staff within the required schedule, or if the work requires specialized knowledge or tools that are not economical for the District to purchase. These services are currently anticipated to be utilized for supporting large load interconnections, transmission interconnections, transmission, electric, and SCADA system improvements.

Financial Considerations: The contracts shall have a not to exceed amount of \$5,000,000.00 for HDR, Inc., \$3,000,000.00 for SEL Engineering Services, Inc., \$5,000,000.00 for Electrical Consultants Inc., \$2,000,000.00 for Stanley, Inc., \$4,000,000.00 for Burns McDonnell, and \$4,000,000.00 for Toth & Associates.

Firm Name	Contract Value	Power Delivery Engineering Strengths
HDR	\$5,000,000	Transmission design, ROW permitting, Environmental permitting,
SEL Engineering Services	\$3,000,000	SCADA design and protection studies, system studies
Electrical Consultants Inc.	\$5,000,000	Substation design
Stanley	\$2,000,000	Construction management
Burns McDonnell	\$4,000,000	Distribution design, transmission design, substation design, ROW permitting
Toth & Associates	\$4,000,000	Distribution design, transmission design, substation design, ROW permitting

While it is not anticipated to spend that total amount of money, the not to exceed amounts provide District staff the flexibility to quickly respond to future project needs as identified and approved by the District's project planning and approval established processes.

Billing rates for the individual contracts were evaluated and negotiated by comparing rates between the six firms and existing engineering contracts within the District. The final agreed-upon rates are fair and reasonable based on the type of engineering support required for this contract.

Contract Specifics: The expected completion of these six contracts is December 31, 2030.

Recommendation: Commission approval to award Contracts 130-12765A-F to six engineering consulting firms HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates.

Legal Review: See attached email(s).

AGREEMENT FOR PROFESSIONAL SERVICES

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

R e c i t a l s :

The District desires to obtain Professional Engineering Services; and

The District's Vice President of Power Delivery Operations believes professional engineering services are required to meet the District's transmission design, substation design, distribution design, and construction management needs that are above and beyond the ability of the District to perform with existing staff levels; and

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

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

1. Scope of Services

Refer to Appendix "B", Scope of Services Requirements.

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

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

2. Independent Contractor

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

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

3. Term - Schedule

This Agreement shall remain in full force and effect until December 31, 2030 or until terminated pursuant to Section 17.

4. Compensation and Payment

- A. Compensation for services rendered and all reimbursable costs shall be per the rates set forth in Appendix “C”, Rate Schedule, which rates and costs shall not be subject to change until two years after the effective date of this Agreement. Any changes to rates and costs shall only be on a prospective basis and shall occur no more frequently than once every 12 months thereafter. Each such change shall not exceed the lesser of i.) 5% or ii.) the percentage increase in the Bureau of Labor Statistics Consumer Price Index (CPI-U) for the West Urban region occurring during the immediately preceding 12 month period for which CPI-U data is available. Contractor shall notify the District in writing at least 30 days prior to any such rate increase going into effect. A payment is considered made on the day it is mailed or is sent through electronic or wire transfer.

In no event however, shall the total amount paid to Contractor for services and all reimbursable costs exceed the sum of \$5,000,000.00 USD unless a Change Order authorizing the same is issued in accordance with Section 5 below.

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

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

- C. Invoices shall include the Contract number and a detailed description of the work performed. Any Labor Categories or reimbursable expenses shall be included on the invoice (see Appendix “C”).
- D. Payment will be made by the District upon completion of work following District approval of Contractor’s invoices. Invoice shall be subject to the review and approval of the District. Invoice shall be in a detailed and clear manner supported by such information the District may require. The District will make payment to Contractor within 30 days after District’s receipt and approval of said invoice. Contractor understands and agrees that by executing this Contract with the District, the District shall make payment(s) by automated clearing house (ACH). The District shall not be liable for fees incurred as a result of changes to Contractor’s banking information without proper, separate notification to Accounts Payable via email at accountspayable@gcpud.org. Failure of Contractor to properly notify the District of banking changes as specified above shall result in forfeiture of associated fees.
- E. The District Representative may approve additional Contractor employees, personnel categories, and/or equipment rates to be added to the Rate Schedule, Appendix “C” if applicable, provided that any additional employees have at least equivalent training and skills and are compensated at the same or lower rates than those listed on the current approved Rate Schedule for similar work. There shall be no change in the total Contract

not to exceed amount. All additions must be approved in writing prior to performing services under the Contract.

5. Change Orders

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

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

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

6. Taxes

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

7. Hold Harmless and Indemnification

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

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

8. Insurance

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

Contractor Required Insurance

1. **General Liability Insurance:** Commercial general liability insurance, covering all operations by or on behalf of Contractor against claims for bodily injury (including death) and property damage (including loss of use). Such insurance shall provide coverage for:
 - a. Premises and Operations;
 - b. Products and Completed Operations;
 - c. Contractual Liability;
 - d. Personal Injury Liability (with deletion of the exclusion for liability assumed under Contract);

with the following **minimum limits**:

- e. \$1,000,000 Each Occurrence
- f. \$1,000,000 Personal Injury Liability
- g. \$2,000,000 General Aggregate (per project)
- h. \$2,000,000 Products and Completed Operations Aggregate

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

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

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

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

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

4. **Excess Insurance:** Excess (or Umbrella) Liability insurance with a **minimum limit of \$5,000,000 per occurrence and in the aggregate**. This insurance shall provide coverage in excess of the underlying primary liability limits, terms, and conditions for each category of liability insurance in the foregoing subsections 1, 2 (Employer's Liability only) and 3. If this insurance is written on a claims-made policy form, then the policy shall be endorsed to include an automatic extended reporting period of at least five years or the statute of repose.

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

5. **Professional Liability:** Contractor shall provide professional liability insurance with a **minimum limit of \$5,000,000 per claim.**

If such policy is written on a claims made form, the retroactive date shall be prior to or coincident with the Effective Date of this Agreement. Claims made form coverage shall be maintained by the Contractor for a minimum of five years following the termination of this Agreement, and the Contractor shall annually provide the District with proof of renewal. If renewal of the claims made form of coverage becomes unavailable, or economically prohibitive, the Contractor shall purchase an Extended Reporting Period Tail or execute another form of guarantee acceptable to the District to assure financial responsibility for liability for services performed.

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

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

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

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

- C. Subcontractors - Contractor shall ensure that each subcontractor meets the applicable insurance requirements and specifications of this Agreement. All coverage for subcontractors shall be subject to all the requirements stated herein and applicable to their profession. Contractor shall furnish the District with copies of certificates of insurance evidencing coverage for each subcontractor upon request.

- D. Cancellation of Insurance - The Contractor shall not cause any insurance policy to be canceled or permit any policy to lapse. Insurance companies, to the extent commercially available, or Contractor shall provide 30 days advance written notice to the District for cancellation or any material change in coverage or condition, except 10 days advance written notice for cancellation due to non-payment of premium. Should the Contractor

receive any notice of cancellation or notice of nonrenewal from its insurer(s), Contractor shall provide immediate notice to the District no later than two days following receipt of such notice from the insurer. Notice to the District shall be delivered by facsimile or email.

- E. 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. Contractor's total liability to the District with respect to (a) any breach of contract or default, (b) negligence, or (c) strict liability shall not exceed \$5,000,000 provided that this total liability limit shall not apply to damages covered by Contractor's insurance coverages as required in Section 8 with the exception of Professional Liability.

9. Assignment

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

10. Records - Audit

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

11. Nondisclosure

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

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

12. Public Records Act

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

- A. The District will not contact Contractor when records the District has received are responsive to a request for public record that would result in these records being released.
- B. Marking pages "confidential" or "proprietary" does not prevent them from release. The District will review for any records that meet the proprietary exemption in RCW 42.56.270(11). The District will either claim the exemption for Contractor, or if there is any question as to its validity, the District may contact Contractor about claiming the exemption.
- C. Other items that may be provided by Contractor that are NOT exempt from disclosure: Employee wages, equipment and material costs.
- D. Having a Non-Disclosure Agreement (NDA) with the District does not preclude the District from releasing these records. The courts have ruled that not all NDAs are enforceable in response to requests for public records.
- E. District scoring/evaluation forms are not exempt from disclosure once the Agreement has been awarded.

13. Applicable Law

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

14. Subcontracts/Purchases

- A. The Contractor is authorized to enter into subcontracts and to make purchases of materials and equipment required for the work. Any material purchases and subcontracts shall be approved in advance by the District Representative and Procurement Officer.
- B. Whenever the cost for any single item of material is estimated to exceed \$5,000.00, the Contractor shall obtain three quotes and submit to the Procurement Officer for approval. These quotes shall be submitted for approval prior to purchasing the material. Approved material shall be invoiced at cost plus the percentage markup identified in Appendix "C". A copy of the invoice showing actual cost must be submitted with the Contractor's invoice to the District. In addition, if prevailing wages apply to the material purchase, a copy of

the associated Intent to Pay Prevailing Wages and Affidavit of Wages Paid must be attached. In no event shall a material purchase of like items exceed \$15,000.00.

- C. Before entering into any subcontracts, the Contractor shall provide the District Representative and Procurement Officer with the proposed subcontractor agreement. Subcontracted work approved in accordance with this section shall be invoiced at cost plus the percentage markup identified in Appendix "C". A copy of the invoice showing actual cost must be submitted with the Contractor's invoice to the District. In addition, if prevailing wages apply to the services provided, a copy of the subcontractors Intent to Pay Prevailing Wages and Affidavit of Wages Paid must be attached in order for payment to be made for that particular work. In no event shall a labor subcontract exceed \$25,000.00.

15. Notices

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

District

Randy Kono
Public Utility District No. 2
of Grant County, Washington
PO Box 878
154 A Street SE
Ephrata, WA 98823
(509) 793-1422
Rkono@gcpud.org

Contractor

Kirk Moughamer
HDR Engineering, Inc.
600 University Street
Suite 500
Seattle, WA 98101-4132
(425) 244-4836
Kirk.moughamer@hdrinc.com

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

16. Ownership of Work Product/Copyright

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

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

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

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

- D. Upon final acceptance or termination of this Agreement, Contractor shall immediately turn over to the District all Work Product. Any modification or reuse of such Work Product by District for purposes other than those intended by this Agreement shall be at the District's sole risk and without liability to the Contractor. This does not prevent the Contractor from making a file copy for their records.

17. Termination

- A. District may, at any time, for any reason, terminate Contractor's services in connection with this Agreement, or any part thereof, by designating that portion of the services to be terminated. In case of termination pursuant to this Section A, District will make payment at the rates specified in this Agreement for services properly performed up to the date of termination. However, in no event shall Contractor be entitled to any other payment to or any anticipated fee or profit on unperformed work.
- B. In the event of Contractor's breach or abandonment of this Contract, the District may after providing Contractor written notice of the breach and a period of 10 days to cure, terminate this Agreement. The District without waiving any other remedies available to it, may retain any monies otherwise due Contractor under this Agreement to the extent such sums are required to compensate District, in whole or in part, for any loss or damage caused by Contractor's breach or abandonment.

18. Non-Waiver

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

19. Physical Security

If any performance under this Contract is to be conducted on District facilities or worksites, it shall be the responsibility of the Contractor to ensure that its employees and those of its Subcontractors are

informed of and abide by the District's Security Policies as if fully set out herein a copy of which shall be provided to the Contractor by the District Representative at the preconstruction meeting or prior to beginning work. Without limiting the foregoing, Contractor and its employees shall be required to:

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

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

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

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

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

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

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

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

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

21. Protected Information

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

22. Background Checks

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

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

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

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

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

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

24. Contractor Safety Requirements

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

A. General

Initial/Warning Notice: Any District employee may notify the Contractor of any safety or health concern. The notice may be delivered verbally to any Contractor employee or subcontractor and the District employee shall notify the District Representative of the Notice. Written notification may be provided to the Contractor at the discretion of the District Representative. The notice shall have the same effect on the Contractor regardless of format or recipient. The Contractor shall take immediate action to mitigate the safety and health concerns identified in the District's notice.

- B. Stop Work Order: District employees also have the authority to immediately stop a work activity without issuing the Initial/Warning Notice. The District employee will immediately notify the District Representative of the Stop Work Order. The District Representative may direct the Contractor to stop work due to safety and health concerns. The Stop Work Order may cover all work on the Contract or only a portion of the work. After the District issues a Stop Work Order, the Contractor shall meet with District Representatives (as determined by the District Representative) to present a written statement outlining specific changes and/or measures the Contractor will make to work procedures and/or conditions to improve safety and health. A Stop Work Order can be rescinded only with the written approval of the District Representative.
1. The Contractor shall not be entitled to any adjustment of the Contract price or schedule when the District stops a work activity due to safety and health concerns that occurred under the Contractor's, Subcontractor's, or supplier's control.
 2. The District's conduct does not alter or waive the Contractor's safety and health obligations.
 3. Contractor shall provide an onsite Safety Professional as directed by the District Representative based upon number and/or severity of identified safety infractions.
 4. Non-compliance with safety requirements could lead to termination of the contract in accordance with Section 17.
- C. The Contractor shall maintain an accurate record of, and shall immediately report to the District Representative all its cases of near miss or recordable injury as defined by OSHA, damage to District or public property, or occupational diseases arising from, or incident to, performance of work under this Contract.
1. The record and report shall include where the incident occurred, the date of the incident, a brief description of what occurred, and a description of the preventative measures to be taken to avoid recurrence, any restitution or settlement made, and the status of these items. A written report shall be delivered to the District Representative within five business days of any such incident or occurrence.
 2. In the event of a serious incident, injury or fatality the immediate group shall stop work. The Contractor/subcontractor shall secure the scene from change until released by the authority having jurisdiction. The Contractor shall collect statements of the crew/witnesses as soon as practical. The District reserves the right to perform an incident investigation in parallel with the Contractor. The Contractor, subcontractor, and their workers shall fully cooperate with the District in this investigation.
 3. All cases of death, serious incidents, injuries or other incidents, as determined by the District Representative, to the extent caused by Contractor shall be investigated by the Contractor to identify all causes and to recommend hazard control measures. A written report of the investigation shall be delivered to the District Representative within 30 calendar days of any such incident or occurrence.
 4. For situations that meet the reporting requirements of WAC 296-800, the Contractor shall self-report and notify the District Representative. The District Representative shall notify the District's Safety personnel.
- D. The Contractor/subcontractor shall conduct and document job briefings each morning with safety as an integral part of the briefing. The Contractor/Subcontractor shall provide an

equivalent job briefing to its personnel and/or visitors entering the job site after the original job briefing has been completed for work within their scope. Immediately upon request, the Contractor shall provide copies of the daily job briefing and any other safety meeting notes to the District Representative. The notes, at a minimum, shall include date, time, topics, and attendees and shall be retained by the Contractor for three years after completion of all work.

- E. Job Site Reviews Performed by the District: The Contractor Site Representative or other lead personnel, if requested by the District, shall be required to participate in District job briefs and/or District job site reviews that pertain to other work being performed that may impact the Contractor's work.
- F. Job Site Reviews Performed by Contractor: Each Contractor and Subcontractor shall perform and document weekly safety reviews of their work area(s) by a competent person as defined by WAC 296-62-020. Immediately upon request, the Contractor shall provide a copy of the documented job site review to the District Representative. Contractor and Subcontractor supervisors/foremen shall take immediate action to correct violations, unsafe practices, and unsafe conditions. The Contractor and Subcontractor shall be solely responsible to review and monitor the work area or location of all their employees during the performance of work.
- G. The District reserves the right to request updated Contractor safety information at any time during the performance of this Contract. Such updated information will be provided on the attached Appendix "I", Contractor Safety Request for Information Form.
- H. Office Work: Contractor personnel who perform work in an office environment at premises owned, leased, possessed, or controlled by the District shall be required to follow at a minimum the following safety and security requirements. This work includes but is not limited to professional services and consulting, technology-related tasks, and training services. Work activities may include working at a desk, attending meetings, touring facilities, and similar activities.
 - 1. Access: The Security Department administers physical access to District facilities. Contractor personnel shall be issued an ID badge or visitor badge to provide access to work areas as needed per Sections 19 and 20. Workers without authorized access to an area must be escorted at all times. Any person with authorized access may serve as an escort.
 - 2. Emergency Preparedness: All Contractor personnel, when entering a facility or work area, shall determine the locations of emergency exits, fire extinguishers, first aid kits, AED, and gathering points in case of evacuation.
 - 3. Housekeeping: Contractor personnel shall keep desks, cubicles, meeting rooms, and all other working areas free from clutter and tripping hazards. Work areas shall be cleaned after use according to applicable guidelines posted by the District in such work areas.
- I. Contractor's observation or monitoring portions of the work performed under construction contracts shall not relieve the construction contractor from its responsibility for performing work in accordance with applicable contract documents. Contractor shall not control or have charge of, and shall not be responsible for, construction means, methods, techniques,

sequences, procedures of construction, health or safety programs or precautions connected with the work and shall not manage, supervise, control or have charge of construction. Contractor shall not be responsible for the acts or omissions of the construction contractor or other parties on the project.

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

Public Utility District No. 2
of Grant County, Washington

HDR Engineering, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX “A”
POTENTIAL TASK LISTING – “MASTER AGREEMENT” FOR PROFESSIONAL ENGINEERING SERVICES

- Design and implementation of substations and/or their interconnections.
- Design and implementation of transmission, distribution, and/or substation modifications.
- Design and implementation of transmission motor operated disconnect switches and communications.
- Design and implementation of communication interconnections to motor operated disconnect switches.
- Transmission line structural and/or foundation design.
- Preliminary transmission line and/or foundation design.
- Geotechnical site assessments for structures.
- Detail transmission line design.
- Underground and under built overhead 13.2kV distribution facilities design.
- Joint Use Analysis (Make-ready studies)
- Overhead and underground fiber design, including optical ground wire (OPGW).
- Overhead and underground distribution facility design.
- Development, testing, and implementation of protection settings and/or configurations.
- System protection design, review, configuration, and/or testing.
- Engineering and transmission system studies.
- Transmission line routing studies.
- Cultural resource assessments.
- Rights-of-way services and acquisitions.
- Environmental impact assessments.
- Environmental and/or biological studies.
- Transmission and/or substation protective relaying design.
- Construction management/project inspection.
- Material testing.
- Miscellaneous testing services such as galvanizing, welding, paint adhesion, or corrosion.
- Substation communications, automation, and/or SCADA design.
- Material/equipment investigations and recommendations.
- Substation testing, commissioning, and device configuration.
- Communication, automation, and/or SCADA equipment testing, configuration, SAT, and/or finite element analysis.
- Other tasks as identified and approved.

APPENDIX “B”
SCOPE OF SERVICES REQUIREMENTS

A. PRELIMINARY DESIGN

Products required shall include as a minimum:

1. Design criteria document detailing the criteria established for the project, including design standards to be used, assumptions to be used for design and materials requirements including quality requirements.
2. Drawings showing general concept of design for construction, modification and/or repair, including details of major design components.
3. Technical specifications of major materials to be utilized in the design for the project.
4. Project schedule using MS Project 2003 (or later) or later by critical path method (CPM) showing the tasks for design, procurement, construction and closeout of the project. The schedule shall also show the required resources needed for the project, including the Contractor's and District's resources.
5. Estimated costs of the project by the components of design, procurement, construction and closeout of the project. Shall also include a schedule of costs in relation to the project schedule described above.
6. Photo overlay renderings of proposed transmission, distribution, or substation facilities to aid in planning, right-of-way procurement, and land procurement.

B. DETAIL DESIGN

Products required shall include as a minimum:

1. Detailed drawings showing all aspects in detail of contract/project. These drawings shall be used for obtaining bids from construction contractors then be used for the construction of the project.
2. Technical specifications of all materials and construction methods to be used in construction of the contract/project, including special conditions and requirements of the contract/project based on input from the District. These documents shall be used for obtaining bids from construction contractors then be used for the construction of the project. These documents will be assembled with the District's standards for contract documents and will be issued by the District's Procurement Department.
3. Work order packages containing all materials and construction methods to be used in construction of the project, including special conditions, right of way submittals and permits. These documents shall be used for construction by District forces.
4. Hard copies of final design drawings and reports shall be stamped and signed by the consulting engineer.

C. PROCUREMENT

Products required shall include as a minimum:

1. Engineer's Estimate based on the Contract Documents for comparison to the proposals received by bidders. The estimate shall be in the same format as the Bid form in the Contract Documents.
2. Addenda to the Technical Specifications in the Contract Documents as may be required during the period when the District Call for Bids and the Bid Closing date.
3. Written evaluation of bid proposals received from bidders including a recommendation of contract award and justification of recommendation.

D. CONSTRUCTION ENGINEERING AND MANAGEMENT

Products required shall include as a minimum:

1. Onsite engineering including contract inspection in accordance with the Contract Documents, providing daily reports and recommendations to problems encountered during construction of the project.
2. Review of shop drawings and submittals, provided by the construction contractor, in accordance with the Contract Documents providing approvals as to conformance with the Contract Documents or rejections with justification for rejection.
3. Review of construction contractor's payment requests in accordance with the Contract Documents providing description of conformances or variances.
4. Preparation and justification of construction contract change orders as may be required to complete the project.

E. RIGHTS OF WAY SERVICES

Products required shall include as a minimum:

1. Determination of ownership for land and improvements.
2. Determination of District existing easements, permits, franchises, etc.
3. Preparation of appraisals for parcels and, if appropriate, affected improvements.
4. Preparation of recommendations to District for offers to be made on appropriate easements.
5. Negotiate with owners; secure appropriate options and easements in properly recordable form with necessary signatures; and pay consideration.

F. ENVIRONMENTAL/PERMITTING SERVICES

Products required shall include as a minimum:

1. Biological, cultural, environmental, archeological, field studies/observations, etc.
2. Documentation of the studies and results.
3. Prepare and submit reports.

G. PROJECT CLOSEOUT

Products required shall include as a minimum:

1. Provide the required number of hard and electronic copies of "Operations and Maintenance Manuals" for all project equipment and facilities.
 2. Final project report describing the history of the project from design through construction noting all major components of the project and including detail descriptions of problem or unique area of the project.
 3. Provide "as-built" drawings of the completed construction in electronic format.
 4. Project files in chronological order of all aspects of the project design (including design calculations), procurement and construction of the project.
- H. Provide reports, depositions and testimony as may be required in the course of administering projects. Perform evaluations and analysis of the operation and maintenance practices and troubleshooting of problems encountered by the District in the administration of its transmission and distribution facilities.
- I. **CONTRACTOR EQUIPMENT**

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

- Electronic distance meters
- Wheel type distance meters
- Cellular phones
- Survey chains of any length
- Metal detectors for locating property pins
- Frost pins
- Hammers
- Range rods
- Picks
- Shovels
- Machetes
- Extension rods for measuring heights
- Flagging ribbon
- Stakes (District standard or equivalent)
- Lath (District standard or equivalent)
- Theodolites or total stations
- Rods of any type including single and/or triple mirrors
- Two-way hand-held radios
- Digital cameras
- Laptop computers, iPads, tablets, desktop computers, including any and all computers, disks, printers, storage media, and other computing hardware

J. **SOFTWARE**

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

AutoCAD®
Microsoft® Project
Microsoft® Word
Microsoft® Excel
Power Line Systems, Inc. PLSCADD
Power Line Systems, Inc. CAISSON
Power Line Systems, Inc. PLS POLE
Power Line Systems, Inc. TOWER
Aspen One Liner

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

K. INTERNET

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

L. TELEPHONE

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

M. COMPUTER TIME

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

N. EQUIPMENT AND SOFTWARE

The equipment, tools, software, etc., in Appendix "B" Sections J, K, L, M, and N shall be included in hourly wage overhead as an operating expense. These items shall not appear itemized on invoices. The District expects the contractor to be fully equipped with these items, as needed, to perform the services required.

**APPENDIX “C”
RATE SCHEDULE**

DIRECT EXPENSES:

Rates are stated in US Dollars.

Engineer's Classification Code	Billing Rate Job Description	Maximum Hourly Billing Rate	Classification
A	Project Manager III	\$336.42	Project management
B	Project Manager II	\$276.15	Project management
C	Project Manager I	\$250.95	Project management
D	Professional Process Management	\$141.29	Word processing, Data Entry
E	Engineer V	\$282.60	Detailed design and studies
F	Engineer IV	\$242.22	Detailed design and studies
G	Engineer III	\$208.58	Detailed design and studies
H	Engineer II	\$184.35	Detailed design and studies
I	Engineer I	\$148.02	Detailed design and studies
J	Engineering Technician V	\$168.21	Drafting, Routine design, Material data entry
K	Engineering Technician IV	\$141.29	Drafting, Routine design, Material data entry
L	Engineering Technician III	\$121.11	Drafting, Routine design, Material data entry
M	Engineering Technician II	\$114.37	Drafting, Routine design, Material data entry
N	Engineering Technician I	\$94.19	Drafting, Routine design, Material data entry
O	Construction Manager	\$193.78	Construction Inspection
P	Construction Inspector	\$166.87	Construction Inspection
Q	GIS Analyst III	\$191.10	Mapping and geospatial data development
R	GIS Analyst II	\$181.68	Mapping and geospatial data development
S	GIS Analyst I	\$148.02	Mapping and geospatial data development
T	Property Specialist III	\$220.75	Right of Way Acquisition
U	Property Specialist II	\$174.95	Right of Way Acquisition
V	Property Specialist I	\$154.77	Right of Way Acquisition
W	Environmental Specialist III	\$257.25	Environmental Studies (Biologist, Botanist, etc.)
X	Environmental Specialist II	\$203.70	Environmental Studies (Biologist, Botanist, etc.)
Y	Environmental Specialist I	\$160.65	Environmental Studies (Biologist, Botanist, etc.)
Z	Permitting Specialist III	\$269.14	Permit Development and Acquisition

Engineer's Classification Code	Billing Rate Job Description	Maximum Hourly Billing Rate	Classification
AA	Permitting Specialist II	\$215.31	Permit Development and Acquisition
AB	Permitting Specialist I	\$161.49	Permit Development and Acquisition
AC	Public Involvement Specialist III	\$235.48	Public outreach functions
AD	Public Involvement Specialist II	\$201.85	Public outreach functions
AE	Public Involvement Specialist I	\$161.49	Public outreach functions

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

REIMBURSABLE EXPENSES:

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

Meals and Incidental Expenses: Meals and incidental expenses will be limited to the Federal Per Diem rate for meals and incidentals established for the location where lodging is obtained. The current rate for all Grant County locations is \$68.00 per day. Federal Per Diem guidelines which includes the meal breakdown and Federal Per Diem rates for other locations can be found at www.gsa.gov.

Lodging: Lodging will be billed at cost, including applicable taxes, not to exceed 200% of the Federal Per Diem maximum lodging rate for the location where the work is being performed. The current federal maximum lodging rate for all Grant County locations is \$110.00. The District Representative may increase this limit in writing when circumstances require.

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

Sub-consultants/Subcontractors: Services requested by the District, verifiable by applicable supporting documentation or at specified rates, will be reimbursed to Contractor at cost plus a maximum handling charge of 10%.

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

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

APPENDIX "D"
CHANGE ORDER
NO. ____

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

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

Public Utility District No. 2
of Grant County, Washington

HDR Engineering, Inc.

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

APPENDIX "E"
TASK AUTHORIZATION FOR
PROFESSIONAL SERVICES

Contract No.:	130-12765C	Task Authorization No.:		Amendment No.:	
Project Name:					

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

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

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

Public Utility District No. 2
of Grant County, Washington

HDR Engineering, Inc.

Approved for District

Accepted by Contractor

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: District Representative

Title: _____

Date: _____

Date: _____

APPENDIX "F"
NON-DISCLOSURE AGREEMENT

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

RECITALS

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

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

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

NOW, THEREFORE, the Parties agree as follows:

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

3. **Non-Disclosure.** Subject to the provisions of Section 4 and unless the parties agree otherwise, this non-disclosure obligation shall survive the termination of this NDA. Contractor shall not disclose or disseminate Protected Information and shall:
 - A. Restrict disclosure of Protected Information solely to its agents and employees with a need to know and not disclose such Protected Information to any others; and
 - B. Advise and require all of its officers, agents, employees, representatives, prospective and successful subcontractors, consultants and employees thereof with access to the Protected Information to execute an NDA in this same form with the District prior to allowing them access to the Protected Information; and
 - C. Use the Protected Information provided hereunder only for purposes directly related to performance of the work under Contract 130-12765C.
 - D. In the event third parties attempt to obtain the Protected Information by legal process, the Contractor agrees that it will not release or disclose any Protected Information until the District has received notice of the legal process and has been given reasonable opportunity to contest such release of information and/or to assert the confidentiality privilege.
4. **Ownership and Return of Protected Information.** All Protected Information shall remain the property of the District. Contractor is responsible for safeguarding and returning all Protected Information or shall certify, by signed, statement delivered to the District, the destruction of all original Protected Information provided along with any copies made by the Contractor. Such delivery shall be to the District, Attention: Nicona Butler, PO Box 878, Ephrata, WA 98823.
5. **Compliance Audit.** The District may audit Contractor's compliance with this NDA.
6. **Applicable Law.** This NDA is made under, and shall be construed according to, the laws of the State of Washington and the Federal Energy Regulatory Commission regulations. Venue for any action brought pursuant to this NDA shall, at the District's option, be in Grant County Superior Court, Grant County, Washington or in the United States District Court for the Eastern District of Washington.
7. **Assignment.** This NDA may not be assigned.
8. **Violations.** Contractor understands and agrees that the District is providing the Protected Information to Contractor in reliance upon this NDA, and Contractor will be fully responsible to the District for any damages or harm caused to the District by a breach of this NDA by Contractor or any of its officers, directors, agents, employees, subcontractors, consultants or affiliates. Contractor acknowledges and agrees that a breach of any of its promises or agreements contained herein will result in irreparable injury to the District for which there will be no adequate remedy at law, and the District shall be entitled to apply for equitable relief, including injunction and specific performance, in the event of any breach or threatened breach or intended breach of this NDA by Contractor. Such remedies, however, shall not be deemed to be the exclusive remedies for any breach of the Agreement but shall be in addition to all other remedies available at law or in equity. In addition to injunctive relief, civil or criminal penalties may be imposed for each violation of this NDA.
9. **Attorney's Fees.** In the event it is necessary for the District to utilize the services of an attorney

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

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

CONTRACTOR: Name: _____

 Address: _____

 Phone: _____

 Email: _____

 Signature: _____

 Print Name: _____

 Title: _____

 Date: _____

APPENDIX “G”

DEFINITIONS OF PROTECTED INFORMATION

Definition of Critical Infrastructure Protection (CIP)

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

Definition of Critical Energy Infrastructure Information (CEII)

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

Definition of Bulk Electric System Cyber System Information (BCSI)

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

Definition of Security Sensitive Information (SSI)

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

Bulk Electric System (BES)

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

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

Bulk Electric System (BES) Cyber Asset

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

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

Contractor Name: _____ Date: _____

Contract Number: _____ Procurement Officer: _____

Project Manager: _____

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

Accordingly, we certify that:

1. A background check has been conducted on the following employee(s) that includes a seven year criminal history records check, a current residence check and a residence check at other locations where, during the seven years immediately prior to the date of the criminal history records check, the employee has resided for six consecutive months or more; and the assessment of the employee is consistent with the safe and efficient performance of the services and meets the minimum standard for criminal checks as set forth by the attached Evaluation Criteria.
2. Employment eligibility identity verification has been completed to ensure employee is legally permitted to work in the United States. (Citizenship, Federal I-9 form verification)

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

(Do not send actual background check documents)

Name of company where background check was performed: _____

Certified by: _____ Title: _____

Phone No.: _____ Email: _____

Return this form to: CIPDocuments@gcpud.org

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

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

Evaluation Criteria:

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

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

Murder

Kidnapping

Manslaughter

Fraud, theft, and/or robbery

Criminal sexual conduct

Arson

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

Violence related

Honesty related

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

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

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

FOR GRANT PUD USE ONLY

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

Signature of PRA Committee member: _____

APPENDIX "I"
CONTRACTOR SAFETY REQUEST FOR INFORMATION



Contractor Safety Request for Info

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

Years in business under current company name: _____

PRINCIPAL BUSINESS ACTIVITY:

- | | | |
|--|--|---|
| ☐ Blasting/Painting | ☐ Instrumentation | ☐ Machining |
| ☐ Cranes | ☐ Lead/Asbestos Abatement | ☐ Welding/Piping |
| ☐ Excavation | ☐ Cement Work | ☐ Electrical |
| ☐ Heavy Transport | ☐ Drilling | ☐ Other _____ |
| ☐ Labor Service | ☐ General Construction | |
| ☐ Scaffold | ☐ Hydro-Blasting/Cleaning | |

EXPERIENCE MODIFICATION RATE:

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

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

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

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

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

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

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

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

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

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

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

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

If yes, briefly describe the program format and/or attach a copy.		
Do you conduct workplace HSE inspections?	☐ Yes	☐ No
If yes, who conducts this inspection? How often? ☐ Daily ☐ Weekly ☐ Biweekly ☐ Monthly ☐ As Needed		
Is the company a member of any external HSE program that awards certificates of recognition?	☐ Yes	☐ No
If yes, list certificates of recognition your company has received within the past 3 years:		

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

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

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

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

REVIEW/APPROVAL SIGNATURES
GRANT PUD USE ONLY

REQUIRED SIGNATURE

SAFETY: _____ DATE _____

DISTRICT REP. _____ DATE _____

☐ RECEIVED

☐ FURTHER REVIEW

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute new Contract Agreement 130-12765D with SEL Engineering Services, Inc. in the amount not to exceed \$3,000,000.00.

MEMORANDUM

October 9, 2025

TO: John Mertlich, General Manager/Chief Executive Officer

VIA: Ty Ehrman, Senior Vice President of Retail Operations ^{OS} TE
Ron Alexander, Vice President of Power Delivery Operations ^{Initial} RA
Dale Campbell, Senior Manager of Power Delivery Engineering ^{OS} DC

FROM: Angel Barahona-Sanchez, TSA Engineering Manager ^{Initial} ABS

SUBJECT: Award of Contracts 130-12765A, 130-12765B, 130-12765C, 130-12765D, 130-12765E, 130-12765F – Professional Services Agreement for Engineering Services

Purpose: To request Commission approval to award Contract 130-12765 to six consulting firms: HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates. The contract is for on-call general professional engineering services for ROW permitting, environmental permitting, transmission, substation, and distribution engineering for Power Delivery Division through December 31, 2030. The not-to-exceed value for each contract is outlined below.

Discussion: The District's Power Delivery Engineering group maintains professional services contracts to provide on-call general professional engineering for services required beyond current available engineering department resources and specialties on variety of analyses, inspections, design and on-going consultation to safely operate, maintain, and improve our electric system. All the current contracts for currently planned tasks are expiring this year. The District's practice is to rebid these types of contracts every 3-5 years to ensure we continue to receive high-quality engineering support for our critical assets.

Twenty-two firms responded to the Request for Proposals (RFP) for this contract. After careful consideration, six professional services contracts are recommended to be issued to the following engineering firms: HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates.

The consultants were selected based on their ability to provide engineering for transmission lines and facilities, substation facilities, distribution line facilities, SCADA projects, power system protection, power system studies, construction management services, right-of-way acquisition, and environmental permitting.

Contractor Selection Process:

Justification: The primary benefit is to ensure the District continues to receive high-quality engineering professional services to support Power Delivery division. By awarding multiple consultants with a variety of expertise, the District will have the ability to choose one of the six consultants depending on the scope of the task and particular expertise of the firm. Another

benefit of multiple contracts is that, where appropriate, we can request proposals from two or more of the firms and select which team will perform the work based on their proposed scope of services, estimated costs and completion schedule. Although all six contracts were written with very similar scope to allow each consultant to provide a wide range of general professional engineering support, it is worth noting that we consider each firm to have a specific area of expertise that make them preferable based on the task.

The recommended contracts are critical to supporting a reliable and timely improvement and expansion of the District's electric system to serve existing customers, as well as the large load growth anticipated. Alternatives to these contracts include hiring additional experienced and knowledgeable technical personnel or extending the anticipated service schedule for new large load or transmission interconnection customers. Hiring additional personnel is problematic, as recruitment of such professional resources has proven difficult in recent times. The alternative of extending large customer load growth or transmission interconnection schedules is also problematic, as "time to market" is a key consideration for most large industrial and transmission interconnection customers seeking to site or expand their business in Grant County. Customers have reported that extending their in-service date beyond our current backlog schedules is likely to make their projects unfeasible in our system.

Consultant-provided engineering services will be required for Power Delivery projects during the 2025-2030 timeframe. Work performed under these contracts will only be assigned to consultants if the scope of an individual project exceeds the capabilities of the District's in-house staff within the required schedule, or if the work requires specialized knowledge or tools that are not economical for the District to purchase. These services are currently anticipated to be utilized for supporting large load interconnections, transmission interconnections, transmission, electric, and SCADA system improvements.

Financial Considerations: The contracts shall have a not to exceed amount of \$5,000,000.00 for HDR, Inc., \$3,000,000.00 for SEL Engineering Services, Inc., \$5,000,000.00 for Electrical Consultants Inc., \$2,000,000.00 for Stanley, Inc., \$4,000,000.00 for Burns McDonnell, and \$4,000,000.00 for Toth & Associates.

Firm Name	Contract Value	Power Delivery Engineering Strengths
HDR	\$5,000,000	Transmission design, ROW permitting, Environmental permitting,
SEL Engineering Services	\$3,000,000	SCADA design and protection studies, system studies
Electrical Consultants Inc.	\$5,000,000	Substation design
Stanley	\$2,000,000	Construction management
Burns McDonnell	\$4,000,000	Distribution design, transmission design, substation design, ROW permitting
Toth & Associates	\$4,000,000	Distribution design, transmission design, substation design, ROW permitting

While it is not anticipated to spend that total amount of money, the not to exceed amounts provide District staff the flexibility to quickly respond to future project needs as identified and approved by the District's project planning and approval established processes.

Billing rates for the individual contracts were evaluated and negotiated by comparing rates between the six firms and existing engineering contracts within the District. The final agreed-upon rates are fair and reasonable based on the type of engineering support required for this contract.

Contract Specifics: The expected completion of these six contracts is December 31, 2030.

Recommendation: Commission approval to award Contracts 130-12765A-F to six engineering consulting firms HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates.

Legal Review: See attached email(s).

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement, effective upon full execution, is by and between Public Utility District No. 2 of Grant County, Washington ("District") and SEL Engineering Services, Inc. ("Contractor");

R e c i t a l s :

The District desires to obtain Professional Engineering Services; and

The District's Vice President of Power Delivery Operations believes professional engineering services are required to meet the District's transmission design, substation design, distribution design, and construction management needs that are above and beyond the ability of the District to perform with existing staff levels; and

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

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

1. Scope of Services

Refer to Appendix "B", Scope of Services Requirements.

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

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

2. Independent Contractor

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

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

3. Term - Schedule

This Agreement shall remain in full force and effect until December 31, 2030 or until terminated pursuant to Section 17.

4. Compensation and Payment

- A. Compensation for services rendered and all reimbursable costs shall be per the rates set forth in Appendix "C", Rate Schedule, which rates and costs shall not be subject to change until two years after the effective date of this Agreement. Any changes to rates and costs shall only be on a prospective basis and shall occur no more frequently than once every 12 months thereafter. Each such change shall not exceed the lesser of i.) 5% or ii.) the percentage increase in the Bureau of Labor Statistics Consumer Price Index (CPI-U) for the West Urban region occurring during the immediately preceding 12 month period for which CPI-U data is available. Contractor shall notify the District in writing at least 30 days prior to any such rate increase going into effect. A payment is considered made on the day it is mailed or is sent through electronic or wire transfer.

In no event however, shall the total amount paid to Contractor for services and all reimbursable costs exceed the sum of \$3,000,000.00 USD unless a Change Order authorizing the same is issued in accordance with Section 5 below.

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

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

- C. Invoices shall include the Contract number and a detailed description of the work performed. Any Labor Categories or reimbursable expenses shall be included on the invoice (see Appendix "C").
- D. Payment will be made by the District upon completion of work following District approval of Contractor's invoices. Invoice shall be subject to the review and approval of the District. Invoice shall be in a detailed and clear manner supported by such information the District may require. The District will make payment to Contractor within 30 days after District's receipt and approval of said invoice. Contractor understands and agrees that by executing this Contract with the District, the District shall make payment(s) by automated clearing house (ACH). The District shall not be liable for fees incurred as a result of changes to Contractor's banking information without proper, separate notification to Accounts Payable via email at accountspayable@gcpud.org. Failure of Contractor to properly notify the District of banking changes as specified above shall result in forfeiture of associated fees.
- E. The District Representative may approve additional Contractor employees, personnel categories, and/or equipment rates to be added to the Rate Schedule, if applicable, provided that any additional employees have at least equivalent training and skills and are compensated at the same or lower rates than those listed on the current approved Rate Schedule for similar work. There shall be no change in the total Contract not to exceed

amount. All additions must be approved in writing prior to performing services under the Contract.

5. Change Orders

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

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

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

6. Taxes

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

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

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

3. If sales, use, value-added, or similar taxes are applicable to an order, such taxes will be billed as a separate line item at the rate(s) applicable at the time of invoicing. Contractor's quoted prices do not include such taxes.

7. Hold Harmless and Indemnification

Contractor shall, at its sole expense, defend all claims brought against the District, its officers, agents, or employees (collectively "Indemnitees") by a third party ("Third-Party Claims") and indemnify and hold Indemnitees harmless for losses, including costs and reasonable legal fees (collectively "Losses"), resulting from Third-Party Claims to the extent that such Third-Party Claims and Losses arise out of damages to property or injuries to persons, to the extent caused by any negligent act of or omission of the Contractor or its subcontractors, excluding damages or injuries caused by the negligence of the District, in the administration or performance of this Agreement. In situations where liability arises from Third-Party Claims of bodily injury to persons or damage to property, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Contractor or its subcontractors. Contractor shall not be liable or required to indemnify or hold the Indemnitees harmless for Losses that are caused by or attributable to the acts or omissions of an Indemnitee or a third party. Contractor waives its immunity under industrial insurance, Title 51 RCW, to the extent necessary to effectuate this indemnification/hold harmless agreement. In the event of damages or injuries to a person or property caused by or resulting from the concurrent negligence of an Indemnitee 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.

Assumption of Defense. Regarding Contractor's defense obligation: (a) Contractor shall assume the defense of a Third-Party Claim through counsel chosen by Contractor; and (b) District shall: (i) give prompt written notice of the Third-Party Claim to Contractor; (ii) provide reasonable assistance to Contractor in the defense of the Third-Party Claim; (iii) mitigate damages related to the Third-Party Claim; and (iv) give Contractor full control of all aspects of defense of the Third-Party Claim, including settlement, except as otherwise provided herein. Contractor shall obtain written consent from the Indemnitee before settling the Third-Party Claim if the proposed settlement requires action by the Indemnitee or contains an admission of liability or wrongdoing by the Indemnitee. The Indemnitee may, at its sole option and expense, participate in the defense of such third-party claim with counsel chosen by the Indemnitee.

Additionally, if the Third-Party Claim against an Indemnitee is not covered by Contractor's insurance policy maintained pursuant to this Contract, then Contractor shall: (a) bear all costs of defense; provided, however, if the Indemnitee is determined to be liable for the Third-Party Claim, then: (i) District shall reimburse Contractor for the costs of defense in proportion to the Indemnitee's liability, as determined by the trier of fact or agreed to in a written settlement between Contractor and the Indemnitee; and (ii) Contractor's duty to defend shall cease to the extent that the Indemnitee is found to have been liable; and (b) pay Losses in proportion to Contractor's liability, as determined by the trier of fact or agreed to in a written settlement between Contractor and the Indemnitee.

Exclusive Remedy. The indemnity provided by Contractor herein shall be District's exclusive remedy for Third-party Claims and resulting Losses.

Contractor acknowledges that by entering into this Contract with the District, it has mutually negotiated the above indemnity provision with the District. Contractor's indemnity and defense obligations shall survive the termination or completion of this Contract only to the extent that the

applicable statute of limitations for any Third-Party Claim for which Contractor has a defense or indemnity obligation extends beyond the termination or completion of this Contract.

8. Insurance

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

Contractor Required Insurance

1. **General Liability Insurance:** Commercial general liability insurance, covering all operations by or on behalf of Contractor against claims for bodily injury (including death) and property damage (including loss of use). Such insurance shall provide coverage for:

- a. Premises and Operations;
- b. Products and Completed Operations;
- c. Contractual Liability;
- d. Personal Injury Liability (with deletion of the exclusion for liability assumed under Contract);

with the following **minimum limits:**

- e. \$1,000,000 Each Occurrence
- f. \$1,000,000 Personal Injury Liability
- g. \$2,000,000 General Aggregate (per project)
- h. \$2,000,000 Products and Completed Operations Aggregate

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

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

If there is an exposure of injury or illness under the U.S. Longshore and Harbor Workers (USL&H) Act, Jones Act, or under U.S. laws, regulations or statutes

applicable to maritime employees, coverage shall be included for such injuries or claims. Such coverage shall include USL&H and/or Maritime Employer's Liability (MEL).

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

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

4. **Excess Insurance:** Excess (or Umbrella) Liability insurance with a **minimum limit of \$2,000,000 per occurrence and in the aggregate when combined with underlying primary limits**. This insurance shall provide coverage in excess of the underlying primary liability limits, terms, and conditions for each category of liability insurance in the foregoing subsections 1, 2 and 3. If this insurance is written on a claims-made policy form, then the policy shall be endorsed to include an automatic extended reporting period of at least five years.

Umbrella/Excess liability insurance will include the District as additional insured on a primary and non-contributory basis for ongoing operations. A waiver of subrogation will apply in favor of the District.

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

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

- B. Evidence of Insurance - Prior to performing any services, and within 10 days after receipt of the Contract Award, then annually thereafter, the Contractor shall file with the District

a Certificate of Insurance showing the Insuring Companies, policy numbers, effective dates, limits of liability and deductibles with a copy of the endorsement naming the District as an Additional Insured for each policy where indicated in Section A.

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

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

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

9. Assignment

Except for the manufacture of Schweitzer Engineering Laboratories, Inc. ("SEL") Products, Contractor may not assign this Agreement, in whole or in part, voluntarily or by operation of law, unless approved in writing by the District.

10. Records - Audit

- A. The results of all work and services performed by the Contractor hereunder shall become the property of the District upon completion of the work herein performed and shall be delivered to the District prior to final payment.
- B. Until the expiration of three years after final acceptance by District of all the work, Contractor shall keep and maintain complete and accurate records of its costs and expenses related to the work or this Contract in accordance with sound and generally accepted accounting principles applied on a consistent basis. To the extent this Contract provided for compensation on a cost-reimbursable basis or whenever such records may, in the

opinion of the District, be useful in determining any amounts payable to Contractor or District (e.g., the nature of a refund, credit or otherwise), Contractor shall provide District access to all such records for examination, copying and audit. District shall not have access to Contractor's composition of fixed rates or lump sums, the financial make up of payroll burdens or to any costs expressed as a percentage of direct labor rates.

11. Nondisclosure

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

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

12. Public Records Act

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

- A. The District will notify Contractor when a records request has been received by the District with the date the District intends to release such records, if they are not exempt according to Public Records Act. The District shall provide Contractor reasonable time to file an injunction, should as allowed in the Public Records Act.
- B. Marking pages "confidential" or "proprietary" does not prevent them from release. The District will review for any records that meet the proprietary exemption in RCW 42.56.270(11). The District will either claim the exemption for Contractor, or if there is any question as to its validity, the District may contact Contractor about claiming the exemption.
- C. Other items that may be provided by Contractor that are NOT exempt from disclosure: Employee wages, equipment and material costs.
- D. Having a Non-Disclosure Agreement (NDA) with the District does not preclude the District from releasing these records. The courts have ruled that not all NDAs are enforceable in response to requests for public records.

- E. District scoring/evaluation forms are not exempt from disclosure once the Agreement has been awarded.

13. Applicable Law

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

14. Subcontracts/Purchases

- A. The Contractor is authorized to enter into subcontracts and to make purchases of materials and equipment required for the work. Any material purchases and subcontracts shall be approved in advance by the District Representative and Procurement Officer.
- B. Whenever the cost for any single item of material is estimated to exceed \$5,000.00, the Contractor shall obtain three quotes and submit to the Procurement Officer for approval. These quotes shall be submitted for approval prior to purchasing the material. Approved material shall be invoiced at cost plus the percentage markup identified in Appendix "C". A copy of the invoice showing actual cost must be submitted with the Contractor's invoice to the District. In addition, if prevailing wages apply to the material purchase, a copy of the associated Intent to Pay Prevailing Wages and Affidavit of Wages Paid must be attached. In no event shall a material purchase of like items exceed \$15,000.00.
- C. Before entering into any subcontracts, the Contractor shall provide the District Representative and Procurement Officer with the proposed subcontractor agreement. Subcontracted work approved in accordance with this section shall be invoiced at cost plus the percentage markup identified in Appendix "C". A copy of the invoice showing actual cost must be submitted with the Contractor's invoice to the District. In addition, if prevailing wages apply to the services provided, a copy of the subcontractors Intent to Pay Prevailing Wages and Affidavit of Wages Paid must be attached in order for payment to be made for that particular work. In no event shall a labor subcontract exceed \$25,000.00.

15. Notices

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

District
Randy Kono
Public Utility District No. 2

Contractor
Attn: Contracts
SEL Engineering Services, Inc.

of Grant County, Washington
PO Box 878
154 A Street SE
Ephrata, WA 98823
(509) 793-1422
Rkono@gcpud.org

2350 Hopkins Court
Pullman, WA 99163
(509) 332-1890
selcontracts@sel.inc.

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

16. Ownership of Work Product/Copyright

- A. Contractor retains all intellectual property rights. All documents, designs, drawings, plans, specifications, and other work product (collectively "Work Product") prepared by Contractor in performing the project shall not be deemed "works made for hire" for District.
- B. To the extent that any such Work Product prepared by Contractor while performing the Project is integrated into the Project, Contractor grants the District a perpetual, worldwide, non-exclusive, non-transferable, personal, revocable, limited license to use and modify such Work Product for internal business purposes only. Contractor's Work Product and/or designs for other projects shall not be used for any purpose except the applicable Project without first obtaining Contractor's written consent. District agrees to indemnify, defend and hold harmless Contractor and all related parties from and against any unauthorized use or reuse of Work Product furnished by Contractor, and any changes made by District or others relating to design documents produced by Contractor.
- C. Contractor acknowledges and agrees that all services/work are specifically ordered under an agreement with Public Utility District No. 2 of Grant County, Washington, and shall be considered "work made for hire" and "Work Product" for purposes of copyright. All copyright interest in Work Product shall belong to and be the exclusive property of the District.
- D. Contractor shall attach and require each of its subcontractors to attach the following statement to all Work Product:

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

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

- E. Upon final acceptance or termination of this Agreement, Contractor shall immediately turn over to the District all Work Product. This does not prevent the Contractor from making a file copy for their records.

17. Termination

- A. District may, at any time, for any reason, terminate Contractor's services in connection with this Agreement, or any part thereof, by designating that portion of the services to be terminated. If the District terminates this Agreement or any Task Authorization issued under this Agreement for convenience, Contractor may assess a termination fee for the following amounts: (a) District shall pay Contractor for labor completed prior to the date of termination, which shall be based on hours incurred and billed at the contracted rates or, if none stated, at current Contractor billing rates; (b) District shall pay Contractor for all materials procured prior to the date of termination for panels and Equipment, which shall be billed at contracted rates or, if none stated, at actual cost-plus 15%; (c) District shall pay Contractor for all other expenses incurred by Contractor prior to the date of termination, which shall be billed at the contracted rates or, if none stated, at actual cost-plus 15%; and (d) if Contractor demobilizes at termination, then District shall pay Contractor a demobilization fee of the greater of \$10,000.00 or 10% of the Task Authorization.
- B. In the event of Contractor's breach or abandonment of this Contract, provided Contractor has reasonable time to cure or commence to cure breach, the District may thereupon and without further notice, terminate this Agreement. The District shall pay Contractor for all completed services and/or delivered equipment. Without waiving any other remedies available to it, the District may retain any monies otherwise due Contractor under this Agreement to the extent such sums are required to compensate District, in whole or in part, for any loss or damage caused by Contractor's breach or abandonment.

18. Non-Waiver

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

19. Physical Security

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

- A. Keep all external gates and doors locked at all times and interior doors as directed.
- B. Visibly display ID badges on their person at all times.

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

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

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

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

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

District Representative shall ensure that Contractor's employees, subcontractor's and subcontractor's employees have completed and submitted the certificate of completion for the

training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted before any security access badges will be issued.

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

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

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

21. Protected Information

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

22. Background Checks

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

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

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

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

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

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

24. Contractor Safety Requirements

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

A. General

Initial/Warning Notice: Any District employee may notify the Contractor of any safety or health concern. The notice may be delivered verbally to any Contractor employee or subcontractor and the District employee shall notify the District Representative of the Notice. Written notification may be provided to the Contractor at the discretion of the District Representative. The notice shall have the same effect on the Contractor regardless of format or recipient. The Contractor shall take immediate action to mitigate the safety and health concerns identified in the District's notice.

B. Stop Work Order: District employees also have the authority to immediately stop a work activity without issuing the Initial/Warning Notice. The District employee will immediately notify the District Representative of the Stop Work Order. The District Representative may direct the Contractor to stop work due to safety and health concerns. The Stop Work Order may cover all work on the Contract or only a portion of the work.

After the District issues a Stop Work Order, the Contractor shall meet with District Representatives (as determined by the District Representative) to present a written statement outlining specific changes and/or measures the Contractor will make to work procedures and/or conditions to improve safety and health. A Stop Work Order can be rescinded only with the written approval of the District Representative.

1. The Contractor shall not be entitled to any adjustment of the Contract price or schedule when the District stops a work activity due to safety and health concerns that occurred under the Contractor's, Subcontractor's, or supplier's control.
 2. The District's conduct does not alter or waive the Contractor's safety and health obligations.
 3. Contractor shall provide an onsite Safety Professional as directed by the District Representative based upon number and/or severity of identified safety infractions.
 4. Non-compliance with safety requirements could lead to termination of the contract in accordance with Section 17.
- C. The Contractor shall maintain an accurate record of, and shall immediately report to the District Representative all cases of near miss or recordable injury as defined by OSHA, damage to District or public property, or occupational diseases arising from, or incident to, performance of work under this Contract.
1. The record and report shall include where the incident occurred, the date of the incident, a brief description of what occurred, and a description of the preventative measures to be taken to avoid recurrence, any restitution or settlement made, and the status of these items. A written report shall be delivered to the District Representative within five business days of any such incident or occurrence.
 2. In the event of a serious incident, injury or fatality the immediate group shall stop work. The Contractor/subcontractor shall secure the scene from change until released by the authority having jurisdiction. The Contractor shall collect statements of the crew/witnesses as soon as practical. The District reserves the right to perform an incident investigation in parallel with the Contractor. The Contractor, subcontractor, and their workers shall fully cooperate with the District in this investigation.
 3. All cases of death, serious incidents, injuries or other incidents, as determined by the District Representative, shall be investigated by the Contractor to identify all causes and to recommend hazard control measures. A written report of the investigation shall be delivered to the District Representative within 30 calendar days of any such incident or occurrence.
 4. For situations that meet the reporting requirements of WAC 296-800, the Contractor shall self-report and notify the District Representative. The District Representative shall notify the District's Safety personnel.
- D. The Contractor/subcontractor shall conduct and document job briefings each morning with safety as an integral part of the briefing. The Contractor/Subcontractor shall provide an equivalent job briefing to personnel and/or visitors entering the job site after the original job briefing has been completed for work within their scope. Immediately upon request, the Contractor shall provide copies of the daily job briefing and any other safety meeting notes to the District Representative. The notes, at a minimum, shall include date, time,

topics, and attendees and shall be retained by the Contractor for three years after completion of all work.

- E. Job Site Reviews Performed by the District: The Contractor Site Representative or other lead personnel, if requested by the District, shall be required to participate in District job briefs and/or District job site reviews that pertain to other work being performed that may impact the Contractor's work.
- F. Job Site Reviews Performed by Contractor: Each Contractor and Subcontractor shall perform and document weekly safety reviews of their work area(s) by a competent person as defined by WAC 296-62-020. Immediately upon request, the Contractor shall provide a copy of the documented job site review to the District Representative. Contractor and Subcontractor supervisors/foremen shall take immediate action to correct violations, unsafe practices, and unsafe conditions. The Contractor and Subcontractor shall be solely responsible to review and monitor the work area or location of all their employees during the performance of work.
- G. Site Specific Safety Plan (SSSP): The Contractor shall prepare, implement, and enforce a SSSP for all work included in this Contract. The SSSP shall be delivered to and accepted by the District Representative prior to the start of any on-site work.
 - 1. The SSSP shall, at a minimum, identify and provide mitigation measures for any recognized hazards or conditions. Site and adjacent conditions shall be considered. All significant hazards, including unusual or unique hazards or conditions specific to the Contract work shall be identified and mitigated. The Contractor shall provide a clear delegation of authority for the work site(s). The Contractor shall identify, locate, and provide direction to the nearest emergency medical facilities. This shall include telephone numbers for emergency services in the area.
 - 2. The Contractor shall make available to all workers at the site(s) the SSSP and ensure that all workers are familiar with the content and requirements of the SSSP. Any subcontractors shall adhere to the Contractor's SSSP.
 - 3. Any emergent hazards not identified in the SSSP shall require a Job Hazard Analysis prior to starting work on the associated job.

In lieu of the SSSP, the District Representative may, at their discretion, accept an Accident Prevention Program implemented and maintained in accordance with Washington state law (WAC 296-155-110).
- H. The District reserves the right to request updated Contractor safety information at any time during the performance of this Contract. Such updated information will be provided on the attached Appendix "I", Contractor Safety Request for Information Form.
- I. Office Work: Contractor personnel who perform work in an office environment at premises owned, leased, possessed, or controlled by the District shall be required to follow at a minimum the following safety and security requirements. This work includes but is not limited to professional services and consulting, technology-related tasks, and training services. Work activities may include working at a desk, attending meetings, touring facilities, and similar activities.

1. Access: The Security Department administers physical access to District facilities. Contractor personnel shall be issued an ID badge or visitor badge to provide access to work areas as needed per Sections 19 and 20. Workers without authorized access to an area must be escorted at all times. Any person with authorized access may serve as an escort.
2. Emergency Preparedness: All Contractor personnel, when entering a facility or work area, shall determine the locations of emergency exits, fire extinguishers, first aid kits, AED, and gathering points in case of evacuation.
3. Housekeeping: Contractor personnel shall keep desks, cubicles, meeting rooms, and all other working areas free from clutter and tripping hazards. Work areas shall be cleaned after use according to applicable guidelines posted by the District in such work areas.

25. Contractor Services Warranty.

Contractor warrants to District that equipment manufactured by Schweitzer Engineering Laboratories, Inc. ("SEL") and provided hereunder (hereinafter referred to as "Products") are free from defects in material and workmanship for 10 years after shipment for all SEL Products, including SEL-manufactured control enclosure structures and panels. The sole and exclusive warranties for any software are set forth in the SEL Software License Agreement. This warranty is conditioned upon proper storage and shall be void in its entirety if the District modifies Products without prior written consent to and subsequent approval of any such modifications by Contractor or uses Products for any applications that require product listing or qualification not specifically included in the Contractor's written quotation or proposal. If any Product fails to conform to this warranty, Buyer properly notifies Contractor of such failure and the District returns the Product to SEL factory (unless another location is agreed upon by Contractor) for diagnosis (and pays all expenses for such return), Contractor shall correct any such failure by, at its sole discretion, either repairing any defective or damaged Product part(s) or making available any necessary replacement part(s) or Product(s). Contractor will pay the freight to return the Product to the District (Carriage Paid To (CPT) customer's place of business). If Contractor is unable or unwilling to repair or replace, Contractor and the District shall negotiate an equitable resolution such as a prorated refund or credit to the District's account. Any Product repair or upgrade shall be covered by this warranty for the longer of one year from date of repair or the remainder of the original warranty period. TO THE MAXIMUM EXTENT PERMITTED BY LAW, THIS WARRANTY SHALL BE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED (INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE AND WARRANTIES ARISING FROM COURSE OF PERFORMANCE OR DEALING OR USAGE OF TRADE), EXCEPT WARRANTY OF TITLE AND AGAINST PATENT INFRINGEMENT. Contractor shall, whenever possible, pass the original manufacturer warranty to the District for non-SEL products. Contractor does not warrant non-SEL products, including non-SEL control enclosure structures, and non-SEL products within SEL panels, control enclosure structures and systems, and products or prototypes provided by SEL for testing, marketing, or loan purposes. Contractor shall perform the project in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. Contractor shall re-perform (or, at Contractor's option, pay a third party to re-perform) any defective services at no cost upon receipt of notice detailing the defect(s) within one year of performance of the original services.

26. **Limitation of Liability; Damage Waiver.**

Contractor and its affiliates' aggregate liability to Indemnitees, collectively, for all claims and Losses, liabilities, and damages related to this Agreement shall be limited to the amount of the order which gave rise to the claim or Loss; provided, however, no limitation of liability in regard to amount shall apply to claims and Losses, liabilities, and damages arising from Contractor's gross negligence or willful misconduct. Notwithstanding anything in this Agreement to the contrary, Contractor and its affiliates shall not be liable for any special, consequential, incidental, indirect, exemplary, or punitive damages, including, without limitation, any loss of profit or revenues, even if Contractor has been advised of the possibility of such damages. Except as otherwise provided in this Section 26, the above limitation of liability and damage waiver shall: (a) apply to all claims and Losses, liabilities, and damages related to this Agreement, whether such arise in contract, tort (including negligence), or otherwise; (b) survive the expiration or termination of this Agreement; and (c) apply even if any limited remedy specified in this Agreement is found to have failed of its essential purpose.

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

Public Utility District No. 2
of Grant County, Washington

SEL Engineering Services, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX “A”
POTENTIAL TASK LISTING – “MASTER AGREEMENT” FOR PROFESSIONAL ENGINEERING SERVICES

- Design and implementation of substations and/or their interconnections.
- Design and implementation of transmission, distribution, and/or substation modifications.
- Design and implementation of transmission motor operated disconnect switches and communications.
- Design and implementation of communication interconnections to motor operated disconnect switches.
- Transmission line structural and/or foundation design.
- Preliminary transmission line and/or foundation design.
- Geotechnical site assessments for structures.
- Detail transmission line design.
- Underground and under built overhead 13.2kV distribution facilities design.
- Joint Use Analysis (Make-ready studies)
- Overhead and underground fiber design, including optical ground wire (OPGW).
- Overhead and underground distribution facility design.
- Development, testing, and implementation of protection settings and/or configurations.
- System protection design, review, configuration, and/or testing.
- Engineering and transmission system studies.
- Transmission line routing studies.
- Cultural resource assessments.
- Transmission and/or substation protective relaying design.
- Construction management/project inspection.
- Material testing.
- Miscellaneous testing services such as galvanizing, welding, paint adhesion, or corrosion.
- Substation communications, automation, and/or SCADA design.
- Material/equipment investigations and recommendations.
- Substation testing, commissioning, and device configuration.
- Communication, automation, and/or SCADA equipment testing, configuration, SAT, and/or finite element analysis.
- Other tasks as identified and approved.

APPENDIX "B"
SCOPE OF SERVICES REQUIREMENTS

A. PRELIMINARY DESIGN

Products required shall be included upon request:

1. Design criteria document detailing the criteria established for the project, including design standards to be used, assumptions to be used for design and materials requirements including quality requirements.
2. Drawings showing general concept of design for construction, modification and/or repair, including details of major design components.
3. Technical specifications of major materials to be utilized in the design for the project.
4. Project schedule, based on Work Breakdown Structure (WBS), using Oracle Primavera P6 or MicroSoft Project 2003 (or later) or later by critical path method (CPM) showing the tasks for design, procurement, construction and closeout of the project. The schedule shall also show the required resources needed for the project, including the Contractor's and District's resources.
5. Estimated costs of the project by the components of design, procurement, construction and closeout of the project. Shall also include a schedule of costs in relation to the project schedule described above.
6. Photo overlay renderings of proposed transmission, distribution, or substation facilities to aid in planning, right-of-way procurement, and land procurement.
7. Development of Work Breakdown Structure (WBS), in collaboration with the District, to organize and manage the Project Scope, Schedule, and Budget.
8. Scope narrative organized according to the WBS which will clearly identify the scope of the project and deliverables for each work package.
9. Cost management - Use of the WBS in the development of a Schedule of Values to report status of project as well as estimated at completion project cost.

B. DETAIL DESIGN

Products required shall be included upon request:

1. Detailed drawings showing all aspects in detail of contract/project. These drawings shall be used for obtaining bids from construction contractors then be used for the construction of the project.
2. Technical specifications of all materials and construction methods to be used in construction of the contract/project, including special conditions and requirements of the contract/project based on input from the District. These documents shall be used for obtaining bids from construction contractors then be used for the construction of the project. These documents will be assembled with the District's standards for contract documents and will be issued by the District's Procurement Department.

3. Work order packages containing all materials and construction methods to be used in construction of the project, including special conditions, right of way submittals and permits. These documents shall be used for construction by District forces.
4. Hard copies of final design drawings and reports shall be stamped and signed by the consulting engineer.

C. PROCUREMENT

Products required shall be included upon request:

1. Engineer's Estimate based on the Contract Documents for comparison to the proposals received by bidders. The estimate shall be in the same format as the Bid form in the Contract Documents.
2. Addenda to the Technical Specifications in the Contract Documents as may be required during the period when the District Call for Bids and the Bid Closing date.
3. Written evaluation of bid proposals received from bidders including a recommendation of contract award and justification of recommendation.

D. CONSTRUCTION ENGINEERING AND MANAGEMENT

Products required shall include as a minimum:

1. Onsite engineering including contract inspection in accordance with the Contract Documents, providing daily reports and recommendations to problems encountered during construction of the project.
2. Review of shop drawings and submittals, provided by the construction contractor, in accordance with the Contract Documents providing approvals as to conformance with the Contract Documents or rejections with justification for rejection.
3. Review of construction contractor's payment requests in accordance with the Contract Documents providing description of conformances or variances.
4. Preparation and justification of construction contract change orders as may be required to complete the project.

E. PROJECT CLOSEOUT

Products required shall include as a minimum:

1. Provide the required number of hard and electronic copies of "Operations and Maintenance Manuals" for all project equipment and facilities.
2. Final project report describing the history of the project from design through construction noting all major components of the project and including detail descriptions of problem or unique area of the project.
3. Provide "as-built" drawings of the completed construction in electronic format.
4. Project files in chronological order of all aspects of the project design (including design calculations), procurement and construction of the project.

- F. Provide reports, depositions and testimony as may be required in the course of administering projects. Perform evaluations and analysis of the operation and maintenance practices and troubleshooting of problems encountered by the District in the administration of its transmission and distribution facilities.

G. CONTRACTOR EQUIPMENT

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

- Cellular phones
- Digital cameras
- Laptop computers, iPads, tablets, desktop computers, including any and all computers, disks, printers, storage media, and other computing hardware

H. SOFTWARE

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

AutoCAD®
Microsoft® Project
Oracle Primavera P6
Microsoft® Word
Microsoft® Excel
Power Line Systems, Inc. PLSCADD
Power Line Systems, Inc. CAISSON
Power Line Systems, Inc. PLS POLE
Power Line Systems, Inc. TOWER
Aspen One Liner

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

I. INTERNET

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

J. TELEPHONE

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

K. COMPUTER TIME

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

L. EQUIPMENT AND SOFTWARE

The equipment, tools, software, etc., in Appendix “B” Sections G, H, I, J, K, and L shall be included in hourly wage overhead as an operating expense. These items shall not appear itemized on invoices. The District expects the contractor to be fully equipped with these items, as needed, to perform the services required.

**APPENDIX “C”
RATE SCHEDULE**

DIRECT EXPENSES:

Rates are stated in US Dollars.

Engineer's Classification Code	Billing Rate Job Description	Maximum Hourly Billing Rate	Classification
A	Project Manager III	\$225.00	Project management
B	Project Manager II	\$210.00	Project management
C	Project Manager I	\$135.00	Project management
D	Professional Process Management	N/A	Word processing, Data Entry
E	Engineer V	\$225.00	Detailed design and studies
F	Engineer IV	\$225.00	Detailed design and studies
G	Engineer III	\$175.00	Detailed design and studies
H	Engineer II	\$175.00	Detailed design and studies
I	Engineer I	\$135.00	Detailed design and studies
J	Engineering Technician V	\$150.00	Drafting, Routine design, Material data entry
K	Engineering Technician IV	\$150.00	Drafting, Routine design, Material data entry
L	Engineering Technician III	\$150.00	Drafting, Routine design, Material data entry
M	Engineering Technician II	\$115.00	Drafting, Routine design, Material data entry
N	Engineering Technician I	\$115.00	Drafting, Routine design, Material data entry
O	Construction Manager	\$210.00	Construction Inspection
P	Construction Inspector	\$115.00	Construction Inspection
Q	GIS Analyst III	N/A	Mapping and geospatial data development
R	GIS Analyst II	N/A	Mapping and geospatial data development
S	GIS Analyst I	N/A	Mapping and geospatial data development
T	Property Specialist III	N/A	Right of Way Acquisition
U	Property Specialist II	N/A	N/A Right of Way Acquisition
V	Property Specialist I	N/A	Right of Way Acquisition
W	Environmental Specialist III	N/A	Environmental Studies (Biologist, Botanist, etc.)
X	Environmental Specialist II	N/A	Environmental Studies (Biologist, Botanist, etc.)
Y	Environmental Specialist I	N/A	Environmental Studies (Biologist, Botanist, etc.)
Z	Permitting Specialist III	\$115.00	Permit Development and Acquisition

Engineer's Classification Code	Billing Rate Job Description	Maximum Hourly Billing Rate	Classification
AA	Permitting Specialist II	\$115.00	Permit Development and Acquisition
AB	Permitting Specialist I	\$115.00	Permit Development and Acquisition
AC	Public Involvement Specialist III	N/A	Public outreach functions
AD	Public Involvement Specialist II	N/A	Public outreach functions
AE	Public Involvement Specialist I	N/A	Public outreach functions

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

*Any overtime work shall be approved in advance by the District Representative. Overtime shall be reimbursed at a maximum of 150% of the corresponding rate shown in the Rate Schedule above.

REIMBURSABLE EXPENSES:

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

Meals and Incidental Expenses: Meals and incidental expenses will be limited to the Federal Per Diem rate for meals and incidentals established for the location where lodging is obtained. The current rate for all Grant County locations is \$68.00 per day. Federal Per Diem guidelines which includes the meal breakdown and Federal Per Diem rates for other locations can be found at www.gsa.gov.

Lodging: Lodging will be billed at cost, including applicable taxes, not to exceed 200% of the Federal Per Diem maximum lodging rate for the location where the work is being performed. The current federal maximum lodging rate for all Grant County locations is \$110.00. The District Representative may increase this limit in writing when circumstances require.

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

Sub-consultants/Subcontractors: Services requested by the District, verifiable by applicable supporting documentation or at specified rates, will be reimbursed to Contractor at cost plus a maximum handling charge of 15%.

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

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

APPENDIX "D"
CHANGE ORDER
NO. ____

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

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

Public Utility District No. 2
of Grant County, Washington

SEL Engineering Services, Inc.

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

APPENDIX "E"
TASK AUTHORIZATION FOR
PROFESSIONAL SERVICES

Contract No.:	130-12765D	Task Authorization No.:		Amendment No.:	
Project Name:					

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

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

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

Public Utility District No. 2
of Grant County, Washington

SEL Engineering Services, Inc.

Approved for District

Accepted by Contractor

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: District Representative

Title: _____

Date: _____

Date: _____

APPENDIX "F"
NON-DISCLOSURE AGREEMENT

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

RECITALS

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

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

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

NOW, THEREFORE, the Parties agree as follows:

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

3. **Non-Disclosure.** Subject to the provisions of Section 4 and unless the parties agree otherwise, this non-disclosure obligation shall survive the termination of this NDA. Contractor shall not disclose or disseminate Protected Information and shall:
 - A. Restrict disclosure of Protected Information solely to its agents and employees with a need to know and not disclose such Protected Information to any others; and
 - B. Advise and require all of its officers, agents, employees, representatives, prospective and successful subcontractors, consultants and employees thereof with access to the Protected Information to execute an NDA in this same form with the District prior to allowing them access to the Protected Information; and
 - C. Use the Protected Information provided hereunder only for purposes directly related to performance of the work under Contract 130-12765D.
 - D. In the event third parties attempt to obtain the Protected Information by legal process, the Contractor agrees that it will not release or disclose any Protected Information until the District has received notice of the legal process and has been given reasonable opportunity to contest such release of information and/or to assert the confidentiality privilege.
4. **Ownership and Return of Protected Information.** All Protected Information shall remain the property of the District. Contractor is responsible for safeguarding and returning all Protected Information or shall certify, by signed, statement delivered to the District, the destruction of all original Protected Information provided along with any copies made by the Contractor. Such delivery shall be to the District, Attention: Niconia Butler, PO Box 878, Ephrata, WA 98823.
5. **Compliance Audit.** The District may audit Contractor's compliance with this NDA.
6. **Applicable Law.** This NDA is made under, and shall be construed according to, the laws of the State of Washington and the Federal Energy Regulatory Commission regulations. Venue for any action brought pursuant to this NDA shall, at the District's option, be in Grant County Superior Court, Grant County, Washington or in the United States District Court for the Eastern District of Washington.
7. **Assignment.** This NDA may not be assigned.
8. **Violations.** Contractor understands and agrees that the District is providing the Protected Information to Contractor in reliance upon this NDA, and Contractor will be fully responsible to the District for any damages or harm caused to the District by a breach of this NDA by Contractor or any of its officers, directors, agents, employees, subcontractors, consultants or affiliates. Contractor acknowledges and agrees that a breach of any of its promises or agreements contained herein will result in irreparable injury to the District for which there will be no adequate remedy at law, and the District shall be entitled to apply for equitable relief, including injunction and specific performance, in the event of any breach or threatened breach or intended breach of this NDA by Contractor. Such remedies, however, shall not be deemed to be the exclusive remedies for any breach of the Agreement but shall be in addition to all other remedies available at law or in equity. In addition to injunctive relief, civil or criminal penalties may be imposed for each violation of this NDA.
9. **Attorney's Fees.** In the event it is necessary for the District to utilize the services of an attorney

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

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

CONTRACTOR: Name: _____

 Address: _____

 Phone: _____

 Email: _____

 Signature: _____

 Print Name: _____

 Title: _____

 Date: _____

APPENDIX “G”

DEFINITIONS OF PROTECTED INFORMATION

Definition of Critical Infrastructure Protection (CIP)

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

Definition of Critical Energy Infrastructure Information (CEII)

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

Definition of Bulk Electric System Cyber System Information (BCSI)

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

Definition of Security Sensitive Information (SSI)

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

Bulk Electric System (BES)

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

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

Bulk Electric System (BES) Cyber Asset

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

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

Contractor Name: _____ Date: _____

Contract Number: _____ Procurement Officer: _____

Project Manager: _____

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

Accordingly, we certify that:

1. A background check has been conducted on the following employee(s) that includes a seven year criminal history records check, a current residence check and a residence check at other locations where, during the seven years immediately prior to the date of the criminal history records check, the employee has resided for six consecutive months or more; and the assessment of the employee is consistent with the safe and efficient performance of the services and meets the minimum standard for criminal checks as set forth by the attached Evaluation Criteria.
2. Employment eligibility identity verification has been completed to ensure employee is legally permitted to work in the United States. (Citizenship, Federal I-9 form verification)

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

(Do not send actual background check documents)

Name of company where background check was performed: _____

Certified by: _____ Title: _____

Phone No.: _____ Email: _____

Return this form to: CIPDocuments@gcpud.org

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

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

Evaluation Criteria:

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

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

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

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

- Violence related
- Honesty related

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

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

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

FOR GRANT PUD USE ONLY

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

Signature of PRA Committee member: _____

APPENDIX "I"
CONTRACTOR SAFETY REQUEST FOR INFORMATION



Contractor Safety Request for Info

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

Years in business under current company name: _____

PRINCIPAL BUSINESS ACTIVITY:

- | | | |
|--|--|---|
| ☐ Blasting/Painting | ☐ Instrumentation | ☐ Machining |
| ☐ Cranes | ☐ Lead/Asbestos Abatement | ☐ Welding/Piping |
| ☐ Excavation | ☐ Cement Work | ☐ Electrical |
| ☐ Heavy Transport | ☐ Drilling | ☐ Other _____ |
| ☐ Labor Service | ☐ General Construction | |
| ☐ Scaffold | ☐ Hydro-Blasting/Cleaning | |

EXPERIENCE MODIFICATION RATE:

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

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

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

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

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

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

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

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

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

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

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

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

If yes, briefly describe the program format and/or attach a copy.		
Do you conduct workplace HSE inspections?	☐ Yes	☐ No
If yes, who conducts this inspection? How often? ☐ Daily ☐ Weekly ☐ Biweekly ☐ Monthly ☐ As Needed		
Is the company a member of any external HSE program that awards certificates of recognition?	☐ Yes	☐ No
If yes, list certificates of recognition your company has received within the past 3 years:		

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

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

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

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

REVIEW/APPROVAL SIGNATURES
GRANT PUD USE ONLY

REQUIRED SIGNATURE

SAFETY: _____ DATE _____

DISTRICT REP. _____ DATE _____

☐ RECEIVED

☐ FURTHER REVIEW

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute new Contract Agreement 130-12765E with Stanley Consultants, Inc. in the amount not to exceed \$2,000,000.00.

MEMORANDUM

October 9, 2025

TO: John Mertlich, General Manager/Chief Executive Officer

VIA: Ty Ehrman, Senior Vice President of Retail Operations ^{OS} TE
Ron Alexander, Vice President of Power Delivery Operations ^{Initial} RA
Dale Campbell, Senior Manager of Power Delivery Engineering ^{OS} DC

FROM: Angel Barahona-Sanchez, TSA Engineering Manager ^{Initial} ABS

SUBJECT: Award of Contracts 130-12765A, 130-12765B, 130-12765C, 130-12765D, 130-12765E, 130-12765F – Professional Services Agreement for Engineering Services

Purpose: To request Commission approval to award Contract 130-12765 to six consulting firms: HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates. The contract is for on-call general professional engineering services for ROW permitting, environmental permitting, transmission, substation, and distribution engineering for Power Delivery Division through December 31, 2030. The not-to-exceed value for each contract is outlined below.

Discussion: The District's Power Delivery Engineering group maintains professional services contracts to provide on-call general professional engineering for services required beyond current available engineering department resources and specialties on variety of analyses, inspections, design and on-going consultation to safely operate, maintain, and improve our electric system. All the current contracts for currently planned tasks are expiring this year. The District's practice is to rebid these types of contracts every 3-5 years to ensure we continue to receive high-quality engineering support for our critical assets.

Twenty-two firms responded to the Request for Proposals (RFP) for this contract. After careful consideration, six professional services contracts are recommended to be issued to the following engineering firms: HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates.

The consultants were selected based on their ability to provide engineering for transmission lines and facilities, substation facilities, distribution line facilities, SCADA projects, power system protection, power system studies, construction management services, right-of-way acquisition, and environmental permitting.

Contractor Selection Process:

Justification: The primary benefit is to ensure the District continues to receive high-quality engineering professional services to support Power Delivery division. By awarding multiple consultants with a variety of expertise, the District will have the ability to choose one of the six consultants depending on the scope of the task and particular expertise of the firm. Another

benefit of multiple contracts is that, where appropriate, we can request proposals from two or more of the firms and select which team will perform the work based on their proposed scope of services, estimated costs and completion schedule. Although all six contracts were written with very similar scope to allow each consultant to provide a wide range of general professional engineering support, it is worth noting that we consider each firm to have a specific area of expertise that make them preferable based on the task.

The recommended contracts are critical to supporting a reliable and timely improvement and expansion of the District's electric system to serve existing customers, as well as the large load growth anticipated. Alternatives to these contracts include hiring additional experienced and knowledgeable technical personnel or extending the anticipated service schedule for new large load or transmission interconnection customers. Hiring additional personnel is problematic, as recruitment of such professional resources has proven difficult in recent times. The alternative of extending large customer load growth or transmission interconnection schedules is also problematic, as "time to market" is a key consideration for most large industrial and transmission interconnection customers seeking to site or expand their business in Grant County. Customers have reported that extending their in-service date beyond our current backlog schedules is likely to make their projects unfeasible in our system.

Consultant-provided engineering services will be required for Power Delivery projects during the 2025-2030 timeframe. Work performed under these contracts will only be assigned to consultants if the scope of an individual project exceeds the capabilities of the District's in-house staff within the required schedule, or if the work requires specialized knowledge or tools that are not economical for the District to purchase. These services are currently anticipated to be utilized for supporting large load interconnections, transmission interconnections, transmission, electric, and SCADA system improvements.

Financial Considerations: The contracts shall have a not to exceed amount of \$5,000,000.00 for HDR, Inc., \$3,000,000.00 for SEL Engineering Services, Inc., \$5,000,000.00 for Electrical Consultants Inc., \$2,000,000.00 for Stanley, Inc., \$4,000,000.00 for Burns McDonnell, and \$4,000,000.00 for Toth & Associates.

Firm Name	Contract Value	Power Delivery Engineering Strengths
HDR	\$5,000,000	Transmission design, ROW permitting, Environmental permitting,
SEL Engineering Services	\$3,000,000	SCADA design and protection studies, system studies
Electrical Consultants Inc.	\$5,000,000	Substation design
Stanley	\$2,000,000	Construction management
Burns McDonnell	\$4,000,000	Distribution design, transmission design, substation design, ROW permitting
Toth & Associates	\$4,000,000	Distribution design, transmission design, substation design, ROW permitting

While it is not anticipated to spend that total amount of money, the not to exceed amounts provide District staff the flexibility to quickly respond to future project needs as identified and approved by the District's project planning and approval established processes.

Billing rates for the individual contracts were evaluated and negotiated by comparing rates between the six firms and existing engineering contracts within the District. The final agreed-upon rates are fair and reasonable based on the type of engineering support required for this contract.

Contract Specifics: The expected completion of these six contracts is December 31, 2030.

Recommendation: Commission approval to award Contracts 130-12765A-F to six engineering consulting firms HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates.

Legal Review: See attached email(s).

AGREEMENT FOR PROFESSIONAL SERVICES

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

R e c i t a l s :

The District desires to obtain Professional Engineering Services; and

The District's Vice President of Power Delivery Operations believes professional engineering services are required to meet the District's transmission design, substation design, distribution design, and construction management needs that are above and beyond the ability of the District to perform with existing staff levels; and

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

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

1. Scope of Services

Refer to Appendix "B", Scope of Services Requirements.

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

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

2. Independent Contractor

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

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

3. Term - Schedule

This Agreement shall remain in full force and effect until December 31, 2030 or until terminated pursuant to Section 17.

4. Compensation and Payment

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

B. A payment is considered made on the day it is mailed or is sent through electronic or wire transfer.

In no event however, shall the total amount paid to Contractor for services and all reimbursable costs exceed the sum of \$2,000,000.00 USD unless a Change Order authorizing the same is issued in accordance with Section 5 below.

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

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

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

E. Payment will be made by the District upon completion of work following District approval of Contractor's invoices. Invoice shall be subject to the review and approval of the District. Invoice shall be in a detailed and clear manner supported by such information the District may require. The District will make payment to Contractor within 30 days after District's receipt and approval of said invoice. Contractor understands and agrees that by executing this Contract with the District, the District shall make payment(s) by automated clearing house (ACH). The District shall not be liable for fees incurred as a result of changes to Contractor's banking information without proper, separate notification to Accounts Payable via email at accountspayable@gcpud.org. Failure of Contractor to properly notify the District of banking changes as specified above shall result in forfeiture of associated fees.

F. The District Representative may approve additional Contractor employees, personnel categories, and/or equipment rates to be added to the Rate Schedule, if applicable, provided that any additional employees have at least equivalent training and skills and are compensated at the same or lower rates than those listed on the current approved Rate

Schedule for similar work. There shall be no change in the total Contract not to exceed amount. All additions must be approved in writing prior to performing services under the Contract.

5. Change Orders

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

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

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

6. Taxes

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

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

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

7. Hold Harmless and Indemnification

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

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

8. Insurance

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

Contractor Required Insurance

1. **General Liability Insurance:** Commercial general liability insurance, covering all operations by or on behalf of Contractor against claims for bodily injury (including death) and property damage (including loss of use). Such insurance shall provide coverage for:
 - a. Premises and Operations;
 - b. Products and Completed Operations;
 - c. Contractual Liability;
 - d. Personal Injury Liability (with deletion of the exclusion for liability assumed under Contract);

with the following **minimum limits**:

- e. \$1,000,000 Each Occurrence
- f. \$1,000,000 Personal Injury Liability
- g. \$2,000,000 General Aggregate (per project)
- h. \$2,000,000 Products and Completed Operations Aggregate

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

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

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

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

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

4. **Excess Insurance:** Excess (or Umbrella) Liability insurance with a **minimum limit of \$5,000,000 per occurrence and in the aggregate**. This insurance shall provide coverage in excess of the underlying primary liability limits, terms, and conditions for each category of liability insurance in the foregoing subsections 1, 2 (Employer's Liability only) and 3. If this insurance is written on a claims-made policy form, then the policy shall be endorsed to include an automatic extended reporting period of at least five years or the statute of repose.

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

5. **Professional Liability:** Contractor shall provide professional liability insurance with a **minimum limit of \$5,000,000 per claim.**

If such policy is written on a claims made form, the retroactive date shall be prior to or coincident with the Effective Date of this Agreement. Claims made form coverage shall be maintained by the Contractor for a minimum of five years following the termination of this Agreement, and the Contractor shall annually provide the District with proof of renewal. If renewal of the claims made form of coverage becomes unavailable, or economically prohibitive, the Contractor shall purchase an Extended Reporting Period Tail or execute another form of guarantee acceptable to the District to assure financial responsibility for liability for services performed.

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

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

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

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

- C. Subcontractors - Contractor shall ensure that each subcontractor meets the applicable insurance requirements and specifications of this Agreement. All coverage for subcontractors shall be subject to all the requirements stated herein and applicable to their profession. Contractor shall furnish the District with copies of certificates of insurance evidencing coverage for each subcontractor upon request.

- D. Cancellation of Insurance - The Contractor shall not cause any insurance policy to be canceled or permit any policy to lapse. Insurance companies, to the extent commercially available, or Contractor shall provide 30 days advance written notice to the District for cancellation or any material change in coverage or condition, except 10 days advance written notice for cancellation due to non-payment of premium. Should the Contractor

receive any notice of cancellation or notice of nonrenewal from its insurer(s), Contractor shall provide immediate notice to the District no later than two days following receipt of such notice from the insurer. Notice to the District shall be delivered by facsimile or email.

9. Assignment and Limitation of Liability

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

Neither party shall be liable to the other for lost profits or other consequential, indirect, punitive, or special damages. The parties agree that Consultant shall have no liability for Liquidated Damages or delay damages of any kind. Stanley Consultants (SCI) total aggregate liability for all claims or damages of any kind arising out of or related to this project shall be limited to an amount equal to 100% of SCI's design fee on the project, or \$100,000.00 whichever is greater, excluding any claims covered under the insurance required in section 8 of this agreement.

10. Records - Audit

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

11. Nondisclosure

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

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

12. Public Records Act

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

- A. The District will not contact Contractor when records the District has received are responsive to a request for public record that would result in these records being released.
- B. Marking pages "confidential" or "proprietary" does not prevent them from release. The District will review for any records that meet the proprietary exemption in RCW 42.56.270(11). The District will either claim the exemption for Contractor, or if there is any question as to its validity, the District may contact Contractor about claiming the exemption.
- C. Other items that may be provided by Contractor that are NOT exempt from disclosure: Employee wages, equipment and material costs.
- D. Having a Non-Disclosure Agreement (NDA) with the District does not preclude the District from releasing these records. The courts have ruled that not all NDAs are enforceable in response to requests for public records.
- E. District scoring/evaluation forms are not exempt from disclosure once the Agreement has been awarded.

13. Applicable Law

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

14. Subcontracts/Purchases

- A. The Contractor is authorized to enter into subcontracts and to make purchases of materials and equipment required for the work. Any material purchases and subcontracts shall be approved in advance by the District Representative and Procurement Officer.
- B. Whenever the cost for any single item of material is estimated to exceed \$5,000.00, the Contractor shall obtain three quotes and submit to the Procurement Officer for approval. These quotes shall be submitted for approval prior to purchasing the material. Approved material shall be invoiced at cost plus the percentage markup identified in Appendix "C". A copy of the invoice showing actual cost must be submitted with the Contractor's invoice to the District. In addition, if prevailing wages apply to the material purchase, a copy of

the associated Intent to Pay Prevailing Wages and Affidavit of Wages Paid must be attached. In no event shall a material purchase of like items exceed \$15,000.00.

- C. Before entering into any subcontracts, the Contractor shall provide the District Representative and Procurement Officer with the proposed subcontractor agreement. Subcontracted work approved in accordance with this section shall be invoiced at cost plus the percentage markup identified in Appendix "C". A copy of the invoice showing actual cost must be submitted with the Contractor's invoice to the District. In addition, if prevailing wages apply to the services provided, a copy of the subcontractors Intent to Pay Prevailing Wages and Affidavit of Wages Paid must be attached in order for payment to be made for that particular work. In no event shall a labor subcontract exceed \$25,000.00.

15. Notices

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

District

Randy Kono
Public Utility District No. 2
of Grant County, Washington
PO Box 878
154 A Street SE
Ephrata, WA 98823
(509) 793-1422
Rkono@gcpud.org

Contractor

Brad Tuffley
Stanley Consultants, Inc.
8000 South Chester Street
Suite 500
Centennial, CO 80112
(720) 480-3149
TuffleyBrad@stanleygroup.com

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

16. Ownership of Work Product/Copyright

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

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

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

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

- D. Upon final acceptance or termination of this Agreement, Contractor shall immediately turn over to the District all Work Product. This does not prevent the Contractor from making a file copy for their records.

17. Termination

- A. District may, at any time, for any reason, terminate Contractor's services in connection with this Agreement, or any part thereof, by designating that portion of the services to be terminated. In case of termination pursuant to this Section A, District will make payment at the rates specified in this Agreement for services properly performed up to the date of termination. However, in no event shall Contractor be entitled to any other payment to or any anticipated fee or profit on unperformed work.
- B. In the event of Contractor's breach or abandonment of this Contract, the District may thereupon and without further notice, terminate this Agreement. The District without waiving any other remedies available to it, may retain any monies otherwise due Contractor under this Agreement to the extent such sums are required to compensate District, in whole or in part, for any loss or damage caused by Contractor's breach or abandonment.

18. Non-Waiver

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

19. Physical Security

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

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

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

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

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

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

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

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

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

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

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

21. Protected Information

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

22. Background Checks

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

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

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

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

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

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

24. Contractor Safety Requirements

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

A. General

Initial/Warning Notice: Any District employee may notify the Contractor of any safety or health concern. The notice may be delivered verbally to any Contractor employee or subcontractor and the District employee shall notify the District Representative of the Notice. Written notification may be provided to the Contractor at the discretion of the District Representative. The notice shall have the same effect on the Contractor regardless of format or recipient. The Contractor shall take immediate action to mitigate the safety and health concerns identified in the District's notice.

- B. Stop Work Order: District employees also have the authority to immediately stop a work activity without issuing the Initial/Warning Notice. The District employee will immediately notify the District Representative of the Stop Work Order. The District Representative may direct the Contractor to stop work due to safety and health concerns. The Stop Work Order may cover all work on the Contract or only a portion of the work. After the District issues a Stop Work Order, the Contractor shall meet with District Representatives (as determined by the District Representative) to present a written statement outlining specific changes and/or measures the Contractor will make to work procedures and/or conditions to improve safety and health. A Stop Work Order can be rescinded only with the written approval of the District Representative.
1. The Contractor shall not be entitled to any adjustment of the Contract price or schedule when the District stops a work activity due to safety and health concerns that occurred under the Contractor's, Subcontractor's, or supplier's control.
 2. The District's conduct does not alter or waive the Contractor's safety and health obligations.
 3. Contractor shall provide an onsite Safety Professional as directed by the District Representative based upon number and/or severity of identified safety infractions.
 4. Non-compliance with safety requirements could lead to termination of the contract in accordance with Section 17.
- C. The Contractor shall maintain an accurate record of, and shall immediately report to the District Representative all cases of near miss or recordable injury as defined by OSHA, damage to District or public property, or occupational diseases arising from, or incident to, performance of work under this Contract.
1. The record and report shall include where the incident occurred, the date of the incident, a brief description of what occurred, and a description of the preventative measures to be taken to avoid recurrence, any restitution or settlement made, and the status of these items. A written report shall be delivered to the District Representative within five business days of any such incident or occurrence.
 2. In the event of a serious incident, injury or fatality the immediate group shall stop work. The Contractor/subcontractor shall secure the scene from change until released by the authority having jurisdiction. The Contractor shall collect statements of the crew/witnesses as soon as practical. The District reserves the right to perform an incident investigation in parallel with the Contractor. The Contractor, subcontractor, and their workers shall fully cooperate with the District in this investigation.
 3. All cases of death, serious incidents, injuries or other incidents, as determined by the District Representative, shall be investigated by the Contractor to identify all causes and to recommend hazard control measures. A written report of the investigation shall be delivered to the District Representative within 30 calendar days of any such incident or occurrence.
 4. For situations that meet the reporting requirements of WAC 296-800, the Contractor shall self-report and notify the District Representative. The District Representative shall notify the District's Safety personnel.
- D. The Contractor/subcontractor shall conduct and document job briefings each morning with safety as an integral part of the briefing. The Contractor/Subcontractor shall provide an

equivalent job briefing to personnel and/or visitors entering the job site after the original job briefing has been completed for work within their scope. Immediately upon request, the Contractor shall provide copies of the daily job briefing and any other safety meeting notes to the District Representative. The notes, at a minimum, shall include date, time, topics, and attendees and shall be retained by the Contractor for three years after completion of all work.

- E. Job Site Reviews Performed by the District: The Contractor Site Representative or other lead personnel, if requested by the District, shall be required to participate in District job briefs and/or District job site reviews that pertain to other work being performed that may impact the Contractor's work.
- F. Job Site Reviews Performed by Contractor: Each Contractor and Subcontractor shall perform and document weekly safety reviews of their work area(s) by a competent person as defined by WAC 296-62-020. Immediately upon request, the Contractor shall provide a copy of the documented job site review to the District Representative. Contractor and Subcontractor supervisors/foremen shall take immediate action to correct violations, unsafe practices, and unsafe conditions. The Contractor and Subcontractor shall be solely responsible to review and monitor the work area or location of all their employees during the performance of work.
- G. Site Specific Safety Plan (SSSP): The Contractor shall prepare, implement, and enforce a SSSP for all work included in this Contract. The SSSP shall be delivered to and accepted by the District Representative prior to the start of any on-site work.
 - 1. The SSSP shall, at a minimum, identify and provide mitigation measures for any recognized hazards or conditions. Site and adjacent conditions shall be considered. All significant hazards, including unusual or unique hazards or conditions specific to the Contract work shall be identified and mitigated. The Contractor shall provide a clear delegation of authority for the work site(s). The Contractor shall identify, locate, and provide direction to the nearest emergency medical facilities. This shall include telephone numbers for emergency services in the area.
 - 2. The Contractor shall make available to all workers at the site(s) the SSSP and ensure that all workers are familiar with the content and requirements of the SSSP. Any subcontractors shall adhere to the Contractor's SSSP.
 - 3. Any emergent hazards not identified in the SSSP shall require a Job Hazard Analysis prior to starting work on the associated job.

In lieu of the SSSP, the District Representative may, at their discretion, accept an Accident Prevention Program implemented and maintained in accordance with Washington state law (WAC 296-155-110).
- H. The District reserves the right to request updated Contractor safety information at any time during the performance of this Contract. Such updated information will be provided on the attached Appendix "I", Contractor Safety Request for Information Form.
- I. Office Work: Contractor personnel who perform work in an office environment at premises owned, leased, possessed, or controlled by the District shall be required to follow at a minimum the following safety and security requirements. This work includes but is not limited to professional services and consulting, technology-related tasks, and training

services. Work activities may include working at a desk, attending meetings, touring facilities, and similar activities.

1. Access: The Security Department administers physical access to District facilities. Contractor personnel shall be issued an ID badge or visitor badge to provide access to work areas as needed per Sections 19 and 20. Workers without authorized access to an area must be escorted at all times. Any person with authorized access may serve as an escort.
2. Emergency Preparedness: All Contractor personnel, when entering a facility or work area, shall determine the locations of emergency exits, fire extinguishers, first aid kits, AED, and gathering points in case of evacuation.
3. Housekeeping: Contractor personnel shall keep desks, cubicles, meeting rooms, and all other working areas free from clutter and tripping hazards. Work areas shall be cleaned after use according to applicable guidelines posted by the District in such work areas.

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

Public Utility District No. 2
of Grant County, Washington

Stanley Consultants, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX “A”
POTENTIAL TASK LISTING – “MASTER AGREEMENT” FOR PROFESSIONAL ENGINEERING SERVICES

- Design and implementation of substations and/or their interconnections.
- Design and implementation of transmission, distribution, and/or substation modifications.
- Design and implementation of transmission motor operated disconnect switches and communications.
- Design and implementation of communication interconnections to motor operated disconnect switches.
- Transmission line structural and/or foundation design.
- Preliminary transmission line and/or foundation design.
- Geotechnical site assessments for structures.
- Detail transmission line design.
- Underground and under built overhead 13.2kV distribution facilities design.
- Joint Use Analysis (Make-ready studies)
- Overhead and underground fiber design, including optical ground wire (OPGW).
- Overhead and underground distribution facility design.
- Development, testing, and implementation of protection settings and/or configurations.
- System protection design, review, configuration, and/or testing.
- Engineering and transmission system studies.
- Transmission line routing studies.
- Cultural resource assessments.
- Rights-of-way services and acquisitions.
- Environmental impact assessments.
- Environmental and/or biological studies.
- Transmission and/or substation protective relaying design.
- Construction management/project inspection.
- Material testing.
- Miscellaneous testing services such as galvanizing, welding, paint adhesion, or corrosion.
- Substation communications, automation, and/or SCADA design.
- Material/equipment investigations and recommendations.
- Substation testing, commissioning, and device configuration.
- Communication, automation, and/or SCADA equipment testing, configuration, SAT, and/or finite element analysis.
- Other tasks as identified and approved.

APPENDIX “B”
SCOPE OF SERVICES REQUIREMENTS

A. PRELIMINARY DESIGN

Products required shall include as a minimum:

1. Design criteria document detailing the criteria established for the project, including design standards to be used, assumptions to be used for design and materials requirements including quality requirements.
2. Drawings showing general concept of design for construction, modification and/or repair, including details of major design components.
3. Technical specifications of major materials to be utilized in the design for the project.
4. Project schedule using MS Project 2003 (or later) or later by critical path method (CPM) showing the tasks for design, procurement, construction and closeout of the project. The schedule shall also show the required resources needed for the project, including the Contractor's and District's resources.
5. Estimated costs of the project by the components of design, procurement, construction and closeout of the project. Shall also include a schedule of costs in relation to the project schedule described above.
6. Photo overlay renderings of proposed transmission, distribution, or substation facilities to aid in planning, right-of-way procurement, and land procurement.

B. DETAIL DESIGN

Products required shall include as a minimum:

1. Detailed drawings showing all aspects in detail of contract/project. These drawings shall be used for obtaining bids from construction contractors then be used for the construction of the project.
2. Technical specifications of all materials and construction methods to be used in construction of the contract/project, including special conditions and requirements of the contract/project based on input from the District. These documents shall be used for obtaining bids from construction contractors then be used for the construction of the project. These documents will be assembled with the District's standards for contract documents and will be issued by the District's Procurement Department.
3. Work order packages containing all materials and construction methods to be used in construction of the project, including special conditions, right of way submittals and permits. These documents shall be used for construction by District forces.
4. Hard copies of final design drawings and reports shall be stamped and signed by the consulting engineer.

C. PROCUREMENT

Products required shall include as a minimum:

1. Engineer's Estimate based on the Contract Documents for comparison to the proposals received by bidders. The estimate shall be in the same format as the Bid form in the Contract Documents.
2. Addenda to the Technical Specifications in the Contract Documents as may be required during the period when the District Call for Bids and the Bid Closing date.
3. Written evaluation of bid proposals received from bidders including a recommendation of contract award and justification of recommendation.

D. CONSTRUCTION ENGINEERING AND MANAGEMENT

Products required shall include as a minimum:

1. Onsite engineering including contract inspection in accordance with the Contract Documents, providing daily reports and recommendations to problems encountered during construction of the project.
2. Review of shop drawings and submittals, provided by the construction contractor, in accordance with the Contract Documents providing approvals as to conformance with the Contract Documents or rejections with justification for rejection.
3. Review of construction contractor's payment requests in accordance with the Contract Documents providing description of conformances or variances.
4. Preparation and justification of construction contract change orders as may be required to complete the project.

E. RIGHTS OF WAY SERVICES

Products required shall include as a minimum:

1. Determination of ownership for land and improvements.
2. Determination of District existing easements, permits, franchises, etc.
3. Preparation of appraisals for parcels and, if appropriate, affected improvements.
4. Preparation of recommendations to District for offers to be made on appropriate easements.
5. Negotiate with owners; secure appropriate options and easements in properly recordable form with necessary signatures; and pay consideration.

F. ENVIRONMENTAL/PERMITTING SERVICES

Products required shall include as a minimum:

1. Biological, cultural, environmental, archeological, field studies/observations, etc.
2. Documentation of the studies and results.
3. Prepare and submit reports.

G. PROJECT CLOSEOUT

Products required shall include as a minimum:

1. Provide the required number of hard and electronic copies of "Operations and Maintenance Manuals" for all project equipment and facilities.
 2. Final project report describing the history of the project from design through construction noting all major components of the project and including detail descriptions of problem or unique area of the project.
 3. Provide "as-built" drawings of the completed construction in electronic format.
 4. Project files in chronological order of all aspects of the project design (including design calculations), procurement and construction of the project.
- H. Provide reports, depositions and testimony as may be required in the course of administering projects. Perform evaluations and analysis of the operation and maintenance practices and troubleshooting of problems encountered by the District in the administration of its transmission and distribution facilities.
- I. **CONTRACTOR EQUIPMENT**

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

- Electronic distance meters
- Wheel type distance meters
- Cellular phones
- Survey chains of any length
- Metal detectors for locating property pins
- Frost pins
- Hammers
- Range rods
- Picks
- Shovels
- Machetes
- Extension rods for measuring heights
- Flagging ribbon
- Stakes (District standard or equivalent)
- Lath (District standard or equivalent)
- Theodolites or total stations
- Rods of any type including single and/or triple mirrors
- Two-way hand-held radios
- Digital cameras
- Laptop computers, iPads, tablets, desktop computers, including any and all computers, disks, printers, storage media, and other computing hardware

J. **SOFTWARE**

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

AutoCAD®
Microsoft® Project
Microsoft® Word
Microsoft® Excel
Power Line Systems, Inc. PLSCADD
Power Line Systems, Inc. CAISSON
Power Line Systems, Inc. PLS POLE
Power Line Systems, Inc. TOWER
Aspen One Liner

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

K. INTERNET

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

L. TELEPHONE

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

M. COMPUTER TIME

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

N. EQUIPMENT AND SOFTWARE

The equipment, tools, software, etc., in Appendix "B" Sections J, K, L, M, and N shall be included in hourly wage overhead as an operating expense. These items shall not appear itemized on invoices. The District expects the contractor to be fully equipped with these items, as needed, to perform the services required.

**APPENDIX “C”
RATE SCHEDULE**

DIRECT EXPENSES:

Rates are stated in US Dollars.

Engineer's Classification Code	Billing Rate Job Description	Maximum Hourly Billing Rate	Classification
A	Project Manager III	\$292.00	Project management
B	Project Manager II	\$283.89	Project management
C	Project Manager I	\$244.46	Project management
D	Professional Process Management	\$112.37	Word processing, Data Entry
E	Engineer V	\$271.00	Detailed design and studies
F	Engineer IV	\$244.62	Detailed design and studies
G	Engineer III	\$191.42	Detailed design and studies
H	Engineer II	\$176.81	Detailed design and studies
I	Engineer I	\$146.58	Detailed design and studies
J	Engineering Technician V	\$218.84	Drafting, Routine design, Material data entry
K	Engineering Technician IV	\$176.81	Drafting, Routine design, Material data entry
L	Engineering Technician III	\$151.64	Drafting, Routine design, Material data entry
M	Engineering Technician II	\$132.74	Drafting, Routine design, Material data entry
N	Engineering Technician I	\$88.66	Drafting, Routine design, Material data entry
O	Construction Manager	\$231.19	Construction Inspection
P	Construction Inspector	\$138.71	Construction Inspection
Q	GIS Analyst III	\$151.64	Mapping and geospatial data development
R	GIS Analyst II	\$138.71	Mapping and geospatial data development
S	GIS Analyst I	\$125.29	Mapping and geospatial data development
T	Property Specialist III	\$224.00	Right of Way Acquisition
U	Property Specialist II	\$178.49	Right of Way Acquisition
V	Property Specialist I	\$146.58	Right of Way Acquisition
W	Environmental Specialist III	\$258.81	Environmental Studies (Biologist, Botanist, etc.)
X	Environmental Specialist II	\$178.49	Environmental Studies (Biologist, Botanist, etc.)
Y	Environmental Specialist I	\$146.58	Environmental Studies (Biologist, Botanist, etc.)
Z	Permitting Specialist III	\$270.47	Permit Development and Acquisition

Engineer's Classification Code	Billing Rate Job Description	Maximum Hourly Billing Rate	Classification
AA	Permitting Specialist II	\$191.42	Permit Development and Acquisition
AB	Permitting Specialist I	\$138.71	Permit Development and Acquisition
AC	Public Involvement Specialist III	\$292.40	Public outreach functions
AD	Public Involvement Specialist II	\$191.42	Public outreach functions
AE	Public Involvement Specialist I	\$138.71	Public outreach functions

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

REIMBURSABLE EXPENSES:

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

Meals and Incidental Expenses: Meals and incidental expenses will be limited to the Federal Per Diem rate for meals and incidentals established for the location where lodging is obtained. The current rate for all Grant County locations is \$68.00 per day. Federal Per Diem guidelines which includes the meal breakdown and Federal Per Diem rates for other locations can be found at www.gsa.gov.

Lodging: Lodging will be billed at cost, including applicable taxes, not to exceed 200% of the Federal Per Diem maximum lodging rate for the location where the work is being performed. The current federal maximum lodging rate for all Grant County locations is \$110.00. The District Representative may increase this limit in writing when circumstances require.

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

Sub-consultants/Subcontractors: Services requested by the District, verifiable by applicable supporting documentation or at specified rates, will be reimbursed to Contractor at cost plus a maximum handling charge of 10%.

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

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

APPENDIX "D"
CHANGE ORDER
NO. ____

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

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

Public Utility District No. 2
of Grant County, Washington

Stanley Consultants, Inc.

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

APPENDIX "E"
TASK AUTHORIZATION FOR
PROFESSIONAL SERVICES

Contract No.:	130-12765E	Task Authorization No.:		Amendment No.:	
Project Name:					

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

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

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

Public Utility District No. 2
of Grant County, Washington

Stanley Consultants, Inc.

Approved for District

Accepted by Contractor

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: District Representative

Title: _____

Date: _____

Date: _____

APPENDIX "F"
NON-DISCLOSURE AGREEMENT

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

RECITALS

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

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

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

NOW, THEREFORE, the Parties agree as follows:

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

3. **Non-Disclosure.** Subject to the provisions of Section 4 and unless the parties agree otherwise, this non-disclosure obligation shall survive the termination of this NDA. Contractor shall not disclose or disseminate Protected Information and shall:
 - A. Restrict disclosure of Protected Information solely to its agents and employees with a need to know and not disclose such Protected Information to any others; and
 - B. Advise and require all of its officers, agents, employees, representatives, prospective and successful subcontractors, consultants and employees thereof with access to the Protected Information to execute an NDA in this same form with the District prior to allowing them access to the Protected Information; and
 - C. Use the Protected Information provided hereunder only for purposes directly related to performance of the work under Contract 130-12765E.
 - D. In the event third parties attempt to obtain the Protected Information by legal process, the Contractor agrees that it will not release or disclose any Protected Information until the District has received notice of the legal process and has been given reasonable opportunity to contest such release of information and/or to assert the confidentiality privilege.
4. **Ownership and Return of Protected Information.** All Protected Information shall remain the property of the District. Contractor is responsible for safeguarding and returning all Protected Information or shall certify, by signed, statement delivered to the District, the destruction of all original Protected Information provided along with any copies made by the Contractor. Such delivery shall be to the District, Attention: Niconia Butler, PO Box 878, Ephrata, WA 98823.
5. **Compliance Audit.** The District may audit Contractor's compliance with this NDA.
6. **Applicable Law.** This NDA is made under, and shall be construed according to, the laws of the State of Washington and the Federal Energy Regulatory Commission regulations. Venue for any action brought pursuant to this NDA shall, at the District's option, be in Grant County Superior Court, Grant County, Washington or in the United States District Court for the Eastern District of Washington.
7. **Assignment.** This NDA may not be assigned.
8. **Violations.** Contractor understands and agrees that the District is providing the Protected Information to Contractor in reliance upon this NDA, and Contractor will be fully responsible to the District for any damages or harm caused to the District by a breach of this NDA by Contractor or any of its officers, directors, agents, employees, subcontractors, consultants or affiliates. Contractor acknowledges and agrees that a breach of any of its promises or agreements contained herein will result in irreparable injury to the District for which there will be no adequate remedy at law, and the District shall be entitled to apply for equitable relief, including injunction and specific performance, in the event of any breach or threatened breach or intended breach of this NDA by Contractor. Such remedies, however, shall not be deemed to be the exclusive remedies for any breach of the Agreement but shall be in addition to all other remedies available at law or in equity. In addition to injunctive relief, civil or criminal penalties may be imposed for each violation of this NDA.
9. **Attorney's Fees.** In the event it is necessary for the District to utilize the services of an attorney

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

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

CONTRACTOR: Name: _____

 Address: _____

 Phone: _____

 Email: _____

 Signature: _____

 Print Name: _____

 Title: _____

 Date: _____

APPENDIX “G”

DEFINITIONS OF PROTECTED INFORMATION

Definition of Critical Infrastructure Protection (CIP)

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

Definition of Critical Energy Infrastructure Information (CEII)

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

Definition of Bulk Electric System Cyber System Information (BCSI)

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

Definition of Security Sensitive Information (SSI)

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

Bulk Electric System (BES)

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

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

Bulk Electric System (BES) Cyber Asset

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



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

Contractor Name: _____ Date: _____

Contract Number: _____ Procurement Officer: _____

Project Manager: _____

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

Accordingly, we certify that:

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

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

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

(Do not send actual background check documents)

Name of company where background check was performed: _____

Certified by: _____ Title: _____

Phone No.: _____ Email: _____

Return this form to: CIPDocuments@gcpud.org

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

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

Evaluation Criteria:

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

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

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

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

- Violence related
- Honesty related

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

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

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

FOR GRANT PUD USE ONLY

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

Signature of PRA Committee member: _____

APPENDIX "I"
CONTRACTOR SAFETY REQUEST FOR INFORMATION



Contractor Safety Request for Info

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

Years in business under current company name: _____

PRINCIPAL BUSINESS ACTIVITY:

- | | | |
|--|--|---|
| ☐ Blasting/Painting | ☐ Instrumentation | ☐ Machining |
| ☐ Cranes | ☐ Lead/Asbestos Abatement | ☐ Welding/Piping |
| ☐ Excavation | ☐ Cement Work | ☐ Electrical |
| ☐ Heavy Transport | ☐ Drilling | ☐ Other _____ |
| ☐ Labor Service | ☐ General Construction | |
| ☐ Scaffold | ☐ Hydro-Blasting/Cleaning | |

EXPERIENCE MODIFICATION RATE:

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

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

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

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

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

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

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

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

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

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

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

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

If yes, briefly describe the program format and/or attach a copy.		
Do you conduct workplace HSE inspections?	☐ Yes	☐ No
If yes, who conducts this inspection? How often? ☐ Daily ☐ Weekly ☐ Biweekly ☐ Monthly ☐ As Needed		
Is the company a member of any external HSE program that awards certificates of recognition?	☐ Yes	☐ No
If yes, list certificates of recognition your company has received within the past 3 years:		

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

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

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

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

REVIEW/APPROVAL SIGNATURES GRANT PUD USE ONLY	
REQUIRED SIGNATURE	
SAFETY: _____ DATE _____	☐ RECEIVED ☐ FURTHER REVIEW
DISTRICT REP. _____ DATE _____	

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute new Contract Agreement 130-12765F with Toth and Associates, Inc. in the amount not to exceed \$4,000,000.00.

MEMORANDUM

October 9, 2025

TO: John Mertlich, General Manager/Chief Executive Officer

VIA: Ty Ehrman, Senior Vice President of Retail Operations ^{OS} TE
Ron Alexander, Vice President of Power Delivery Operations ^{Initial} RA
Dale Campbell, Senior Manager of Power Delivery Engineering ^{OS} DC

FROM: Angel Barahona-Sanchez, TSA Engineering Manager ^{Initial} ABS

SUBJECT: Award of Contracts 130-12765A, 130-12765B, 130-12765C, 130-12765D, 130-12765E, 130-12765F – Professional Services Agreement for Engineering Services

Purpose: To request Commission approval to award Contract 130-12765 to six consulting firms: HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates. The contract is for on-call general professional engineering services for ROW permitting, environmental permitting, transmission, substation, and distribution engineering for Power Delivery Division through December 31, 2030. The not-to-exceed value for each contract is outlined below.

Discussion: The District's Power Delivery Engineering group maintains professional services contracts to provide on-call general professional engineering for services required beyond current available engineering department resources and specialties on variety of analyses, inspections, design and on-going consultation to safely operate, maintain, and improve our electric system. All the current contracts for currently planned tasks are expiring this year. The District's practice is to rebid these types of contracts every 3-5 years to ensure we continue to receive high-quality engineering support for our critical assets.

Twenty-two firms responded to the Request for Proposals (RFP) for this contract. After careful consideration, six professional services contracts are recommended to be issued to the following engineering firms: HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates.

The consultants were selected based on their ability to provide engineering for transmission lines and facilities, substation facilities, distribution line facilities, SCADA projects, power system protection, power system studies, construction management services, right-of-way acquisition, and environmental permitting.

Contractor Selection Process:

Justification: The primary benefit is to ensure the District continues to receive high-quality engineering professional services to support Power Delivery division. By awarding multiple consultants with a variety of expertise, the District will have the ability to choose one of the six consultants depending on the scope of the task and particular expertise of the firm. Another

benefit of multiple contracts is that, where appropriate, we can request proposals from two or more of the firms and select which team will perform the work based on their proposed scope of services, estimated costs and completion schedule. Although all six contracts were written with very similar scope to allow each consultant to provide a wide range of general professional engineering support, it is worth noting that we consider each firm to have a specific area of expertise that make them preferable based on the task.

The recommended contracts are critical to supporting a reliable and timely improvement and expansion of the District's electric system to serve existing customers, as well as the large load growth anticipated. Alternatives to these contracts include hiring additional experienced and knowledgeable technical personnel or extending the anticipated service schedule for new large load or transmission interconnection customers. Hiring additional personnel is problematic, as recruitment of such professional resources has proven difficult in recent times. The alternative of extending large customer load growth or transmission interconnection schedules is also problematic, as "time to market" is a key consideration for most large industrial and transmission interconnection customers seeking to site or expand their business in Grant County. Customers have reported that extending their in-service date beyond our current backlog schedules is likely to make their projects unfeasible in our system.

Consultant-provided engineering services will be required for Power Delivery projects during the 2025-2030 timeframe. Work performed under these contracts will only be assigned to consultants if the scope of an individual project exceeds the capabilities of the District's in-house staff within the required schedule, or if the work requires specialized knowledge or tools that are not economical for the District to purchase. These services are currently anticipated to be utilized for supporting large load interconnections, transmission interconnections, transmission, electric, and SCADA system improvements.

Financial Considerations: The contracts shall have a not to exceed amount of \$5,000,000.00 for HDR, Inc., \$3,000,000.00 for SEL Engineering Services, Inc., \$5,000,000.00 for Electrical Consultants Inc., \$2,000,000.00 for Stanley, Inc., \$4,000,000.00 for Burns McDonnell, and \$4,000,000.00 for Toth & Associates.

Firm Name	Contract Value	Power Delivery Engineering Strengths
HDR	\$5,000,000	Transmission design, ROW permitting, Environmental permitting,
SEL Engineering Services	\$3,000,000	SCADA design and protection studies, system studies
Electrical Consultants Inc.	\$5,000,000	Substation design
Stanley	\$2,000,000	Construction management
Burns McDonnell	\$4,000,000	Distribution design, transmission design, substation design, ROW permitting
Toth & Associates	\$4,000,000	Distribution design, transmission design, substation design, ROW permitting

While it is not anticipated to spend that total amount of money, the not to exceed amounts provide District staff the flexibility to quickly respond to future project needs as identified and approved by the District's project planning and approval established processes.

Billing rates for the individual contracts were evaluated and negotiated by comparing rates between the six firms and existing engineering contracts within the District. The final agreed-upon rates are fair and reasonable based on the type of engineering support required for this contract.

Contract Specifics: The expected completion of these six contracts is December 31, 2030.

Recommendation: Commission approval to award Contracts 130-12765A-F to six engineering consulting firms HDR, SEL Engineering Services, Electrical Consulting Inc, Stanley, Burns McDonnell, and Toth & Associates.

Legal Review: See attached email(s).

AGREEMENT FOR PROFESSIONAL SERVICES

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

R e c i t a l s :

The District desires to obtain Professional Engineering Services; and

The District's Vice President of Power Delivery Operations believes professional engineering services are required to meet the District's transmission design, substation design, distribution design, and construction management needs that are above and beyond the ability of the District to perform with existing staff levels; and

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

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

1. Scope of Services

Refer to Appendix "B", Scope of Services Requirements.

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

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

2. Independent Contractor

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

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

3. Term - Schedule

This Agreement shall remain in full force and effect until December 31, 2030 or until terminated pursuant to Section 17.

4. Compensation and Payment

- A. Compensation for services rendered and all reimbursable costs shall be per the rates set forth in Appendix "C", Rate Schedule, which rates and costs shall not be subject to change until two years after the effective date of this Agreement. Any changes to rates and costs shall only be on a prospective basis and shall occur no more frequently than once every 12 months thereafter. Each such change shall not exceed the lesser of i.) 5% or ii.) the percentage increase in the Bureau of Labor Statistics Consumer Price Index (CPI-U) for the West Urban region occurring during the immediately preceding 12 month period for which CPI-U data is available. Contractor shall notify the District in writing at least 30 days prior to any such rate increase going into effect. A payment is considered made on the day it is mailed or is sent through electronic or wire transfer.

In no event however, shall the total amount paid to Contractor for services and all reimbursable costs exceed the sum of \$4,000,000.00 USD unless a Change Order authorizing the same is issued in accordance with Section 5 below.

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

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

- C. Invoices shall include the Contract number and a detailed description of the work performed. Any Labor Categories or reimbursable expenses shall be included on the invoice (see Appendix "C").
- D. Payment will be made by the District upon completion of work following District approval of Contractor's invoices. Invoice shall be subject to the review and approval of the District. Invoice shall be in a detailed and clear manner supported by such information the District may require. The District will make payment to Contractor within 30 days after District's receipt and approval of said invoice. Contractor understands and agrees that by executing this Contract with the District, the District shall make payment(s) by automated clearing house (ACH). The District shall not be liable for fees incurred as a result of changes to Contractor's banking information without proper, separate notification to Accounts Payable via email at accountspayable@gcpud.org. Failure of Contractor to properly notify the District of banking changes as specified above shall result in forfeiture of associated fees.
- E. The District Representative may approve additional Contractor employees, personnel categories, and/or equipment rates to be added to the Rate Schedule, if applicable, provided that any additional employees have at least equivalent training and skills and are compensated at the same or lower rates than those listed on the current approved Rate Schedule for similar work. There shall be no change in the total Contract not to exceed

amount. All additions must be approved in writing prior to performing services under the Contract.

5. Change Orders

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

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

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

6. Taxes

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

7. Hold Harmless and Indemnification

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

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

8. Insurance

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

Contractor Required Insurance

1. **General Liability Insurance:** Commercial general liability insurance, covering all operations by or on behalf of Contractor against claims for bodily injury (including death) and property damage (including loss of use). Such insurance shall provide coverage for:
 - a. Premises and Operations;
 - b. Products and Completed Operations;
 - c. Contractual Liability;
 - d. Personal Injury Liability (with deletion of the exclusion for liability assumed under Contract);

with the following **minimum limits**:

- e. \$1,000,000 Each Occurrence
- f. \$1,000,000 Personal Injury Liability
- g. \$2,000,000 General Aggregate (per project)
- h. \$2,000,000 Products and Completed Operations Aggregate

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

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

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

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

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

4. **Excess Insurance:** Excess (or Umbrella) Liability insurance with a **minimum limit of \$5,000,000 per occurrence and in the aggregate.** This insurance shall provide coverage in excess of the underlying primary liability limits, terms, and conditions for each category of liability insurance in the foregoing subsections 1, 2 (Employer's Liability only) and 3. If this insurance is written on a claims-made policy form, then the policy shall be endorsed to include an automatic extended reporting period of at least five years or the statute of repose.

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

5. **Professional Liability:** Contractor shall provide professional liability insurance with a **minimum limit of \$5,000,000 per claim.**

If such policy is written on a claims made form, the retroactive date shall be prior to or coincident with the Effective Date of this Agreement. Claims made form coverage shall be maintained by the Contractor for a minimum of five years following the termination of this Agreement, and the Contractor shall annually provide the District with proof of renewal. If renewal of the claims made form of coverage becomes unavailable, or economically prohibitive, the Contractor shall purchase an Extended Reporting Period Tail or execute another form of guarantee acceptable to the District to assure financial responsibility for liability for services performed.

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

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

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

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

- C. Subcontractors - Contractor shall ensure that each subcontractor meets the applicable insurance requirements and specifications of this Agreement. All coverage for subcontractors shall be subject to all the requirements stated herein and applicable to their profession. Contractor shall furnish the District with copies of certificates of insurance evidencing coverage for each subcontractor upon request.
- D. Cancellation of Insurance - The Contractor shall not cause any insurance policy to be canceled or permit any policy to lapse. Insurance companies, to the extent commercially available, or Contractor shall provide 30 days advance written notice to the District for cancellation or any material change in coverage or condition, except 10 days advance written notice for cancellation due to non-payment of premium. Should the Contractor

receive any notice of cancellation or notice of nonrenewal from its insurer(s), Contractor shall provide immediate notice to the District no later than two days following receipt of such notice from the insurer. Notice to the District shall be delivered by facsimile or email.

9. Assignment

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

10. Records - Audit

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

11. Nondisclosure

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

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

12. Public Records Act

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

- A. The District will not contact Contractor when records the District has received are responsive to a request for public record that would result in these records being released.
- B. Marking pages “confidential” or “proprietary” does not prevent them from release. The District will review for any records that meet the proprietary exemption in RCW 42.56.270(11). The District will either claim the exemption for Contractor, or if there is any question as to its validity, the District may contact Contractor about claiming the exemption.
- C. Other items that may be provided by Contractor that are NOT exempt from disclosure: Employee wages, equipment and material costs.
- D. Having a Non-Disclosure Agreement (NDA) with the District does not preclude the District from releasing these records. The courts have ruled that not all NDAs are enforceable in response to requests for public records.
- E. District scoring/evaluation forms are not exempt from disclosure once the Agreement has been awarded.

13. Applicable Law

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

14. Subcontracts/Purchases

- A. The Contractor is authorized to enter into subcontracts and to make purchases of materials and equipment required for the work. Any material purchases and subcontracts shall be approved in advance by the District Representative and Procurement Officer.
- B. Whenever the cost for any single item of material is estimated to exceed \$5,000.00, the Contractor shall obtain three quotes and submit to the Procurement Officer for approval. These quotes shall be submitted for approval prior to purchasing the material. Approved material shall be invoiced at cost plus the percentage markup identified in Appendix “C”. A copy of the invoice showing actual cost must be submitted with the Contractor’s invoice to the District. In addition, if prevailing wages apply to the material purchase, a copy of the associated Intent to Pay Prevailing Wages and Affidavit of Wages Paid must be attached. In no event shall a material purchase of like items exceed \$15,000.00.
- C. Before entering into any subcontracts, the Contractor shall provide the District Representative and Procurement Officer with the proposed subcontractor agreement. Subcontracted work approved in accordance with this section shall be invoiced at cost plus the percentage markup identified in Appendix “C”. A copy of the invoice showing actual

cost must be submitted with the Contractor's invoice to the District. In addition, if prevailing wages apply to the services provided, a copy of the subcontractors Intent to Pay Prevailing Wages and Affidavit of Wages Paid must be attached in order for payment to be made for that particular work. In no event shall a labor subcontract exceed \$25,000.00.

15. Notices

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

District

Randy Kono
Public Utility District No. 2
of Grant County, Washington
PO Box 878
154 A Street SE
Ephrata, WA 98823
(509) 793-1422
Rkono@gcpud.org

Contractor

Jess Moran
Toth and Associates, Inc.
5331 S Macadam Ave.
Suite 375
Portland, OR 97239
(503) 946-6640
Jmoran@tothassociates.com

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

16. Ownership of Work Product/Copyright

Ownership of Proprietary Materials. Each Party is and shall remain the owner of all right, title and interest in and to such Party's proprietary materials, and all copies thereof, and in and to all of the related intellectual property rights, including copyrights, patents, patent disclosures and inventions (whether patentable or not), trademarks, service marks, trade secrets, know-how and other confidential information, trade dress, trade names, logos, corporate names and domain names, together with all of the goodwill associated therewith, derivative works and all other proprietary rights. Neither Party shall obtain any right or license in and to the other Party's proprietary materials.

Ownership of Work Product. The Client acknowledges that all reports, drawings, specifications, computer files, field data, notes and other documents and instruments prepared by the Consultant (collectively, the "**Work Product**") are instruments of professional service and only to be used for the relevant project. Nevertheless, the final construction drawings and specifications prepared under any Scope (SOW) shall become the property of the Client upon completion of such SOW and payment in full of all monies due to the Consultant.

Copyright and all other intellectual property rights for all material generated by Consultant under this Agreement shall remain the property of Consultant. The Client shall not reuse or make any modifications to the Work Product or to any other instrument of professional service performed by Consultant under a SOW without the prior written authorization of the Consultant. The Client

agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Consultant, its officers, directors, employees and sub-consultants against any damages, liabilities or costs, including reasonable attorneys' fees and defense costs, arising from or allegedly arising from or in any way connected with the unauthorized reuse or modifications of the Work Product by the Client or any person or entity that acquires or obtains the Work Product from or through the Client without the written authorization of the Consultant.

Contractor acknowledges and agrees that all services/work are specifically ordered under an agreement with Public Utility District No. 2 of Grant County, Washington, and shall be considered "work made for hire" and "Work Product" for purposes of copyright. All copyright interest in Work Product shall belong to and be the exclusive property of the District.

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

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

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

Upon final acceptance or termination of this Agreement, Contractor shall immediately turn over to the District all Work Product. This does not prevent the Contractor from making a file copy for their records.

17. Termination

- A. District may, at any time, for any reason, terminate Contractor's services in connection with this Agreement, or any part thereof, by designating that portion of the services to be terminated. In case of termination pursuant to this Section A, District will make payment at the rates specified in this Agreement for services properly performed up to the date of termination. However, in no event shall Contractor be entitled to any other payment to or any anticipated fee or profit on unperformed work.
- B. In the event of Contractor's breach or abandonment of this Contract, the District may thereupon and without further notice, terminate this Agreement. The District without waiving any other remedies available to it, may retain any monies otherwise due Contractor under this Agreement to the extent such sums are required to compensate District, in whole or in part, for any loss or damage caused by Contractor's breach or abandonment.

18. Non-Waiver

No waiver of any provision of this Agreement, or any rights or obligations of either Party under this Agreement, shall be effective, except pursuant to a written instrument signed by the Party or Parties waiving compliance, and any such waiver shall be effective only in the specific instance and for the specific purpose stated in such writing. The failure of either Party to require the performance of any term of this Agreement or the waiver of either Party of any breach under this

Agreement shall not operate or be construed as a waiver of any other provision hereof, nor shall it be construed as a waiver of any subsequent breach by the other Party hereto.

19. Physical Security

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

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

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

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

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

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

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

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

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

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

21. Protected Information

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

22. Background Checks

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

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

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

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

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

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

24. Contractor Safety Requirements

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

A. General

Initial/Warning Notice: Any District employee may notify the Contractor of any safety or health concern. The notice may be delivered verbally to any Contractor employee or subcontractor and the District employee shall notify the District Representative of the Notice. Written notification may be provided to the Contractor at the discretion of the District Representative. The notice shall have the same effect on the Contractor regardless of format or recipient. The Contractor shall take immediate action to mitigate the safety and health concerns identified in the District's notice.

- B. Stop Work Order: District employees also have the authority to immediately stop a work activity without issuing the Initial/Warning Notice. The District employee will immediately notify the District Representative of the Stop Work Order. The District Representative may direct the Contractor to stop work due to safety and health concerns. The Stop Work Order may cover all work on the Contract or only a portion of the work. After the District issues a Stop Work Order, the Contractor shall meet with District Representatives (as determined by the District Representative) to present a written statement outlining specific changes and/or measures the Contractor will make to work procedures and/or conditions to improve safety and health. A Stop Work Order can be rescinded only with the written approval of the District Representative.
1. The Contractor shall not be entitled to any adjustment of the Contract price or schedule when the District stops a work activity due to safety and health concerns that occurred under the Contractor's, Subcontractor's, or supplier's control.
 2. The District's conduct does not alter or waive the Contractor's safety and health obligations.
 3. Contractor shall provide an onsite Safety Professional as directed by the District Representative based upon number and/or severity of identified safety infractions.
 4. Non-compliance with safety requirements could lead to termination of the contract in accordance with Section 17.
- C. The Contractor shall maintain an accurate record of, and shall immediately report to the District Representative all cases of near miss or recordable injury as defined by OSHA, damage to District or public property, or occupational diseases arising from, or incident to, performance of work under this Contract.
1. The record and report shall include where the incident occurred, the date of the incident, a brief description of what occurred, and a description of the preventative measures to be taken to avoid recurrence, any restitution or settlement made, and the status of these items. A written report shall be delivered to the District Representative within five business days of any such incident or occurrence.
 2. In the event of a serious incident, injury or fatality the immediate group shall stop work. The Contractor/subcontractor shall secure the scene from change until released by the authority having jurisdiction. The Contractor shall collect statements of the crew/witnesses as soon as practical. The District reserves the right to perform an incident investigation in parallel with the Contractor. The Contractor, subcontractor, and their workers shall fully cooperate with the District in this investigation.
 3. All cases of death, serious incidents, injuries or other incidents, as determined by the District Representative, shall be investigated by the Contractor to identify all causes and to recommend hazard control measures. A written report of the investigation

shall be delivered to the District Representative within 30 calendar days of any such incident or occurrence.

4. For situations that meet the reporting requirements of WAC 296-800, the Contractor shall self-report and notify the District Representative. The District Representative shall notify the District's Safety personnel.
- D. The Contractor/subcontractor shall conduct and document job briefings each morning with safety as an integral part of the briefing. The Contractor/Subcontractor shall provide an equivalent job briefing to personnel and/or visitors entering the job site after the original job briefing has been completed for work within their scope. Immediately upon request, the Contractor shall provide copies of the daily job briefing and any other safety meeting notes to the District Representative. The notes, at a minimum, shall include date, time, topics, and attendees and shall be retained by the Contractor for three years after completion of all work.
- E. Job Site Reviews Performed by the District: The Contractor Site Representative or other lead personnel, if requested by the District, shall be required to participate in District job briefs and/or District job site reviews that pertain to other work being performed that may impact the Contractor's work.
- F. Job Site Reviews Performed by Contractor: Each Contractor and Subcontractor shall perform and document weekly safety reviews of their work area(s) by a competent person as defined by WAC 296-62-020. Immediately upon request, the Contractor shall provide a copy of the documented job site review to the District Representative. Contractor and Subcontractor supervisors/foremen shall take immediate action to correct violations, unsafe practices, and unsafe conditions. The Contractor and Subcontractor shall be solely responsible to review and monitor the work area or location of all their employees during the performance of work.
- G. Site Specific Safety Plan (SSSP): The Contractor shall prepare, implement, and enforce a SSSP for all work included in this Contract. The SSSP shall be delivered to and accepted by the District Representative prior to the start of any on-site work.
1. The SSSP shall, at a minimum, identify and provide mitigation measures for any recognized hazards or conditions. Site and adjacent conditions shall be considered. All significant hazards, including unusual or unique hazards or conditions specific to the Contract work shall be identified and mitigated. The Contractor shall provide a clear delegation of authority for the work site(s). The Contractor shall identify, locate, and provide direction to the nearest emergency medical facilities. This shall include telephone numbers for emergency services in the area.
 2. The Contractor shall make available to all workers at the site(s) the SSSP and ensure that all workers are familiar with the content and requirements of the SSSP. Any subcontractors shall adhere to the Contractor's SSSP.
 3. Any emergent hazards not identified in the SSSP shall require a Job Hazard Analysis prior to starting work on the associated job.

In lieu of the SSSP, the District Representative may, at their discretion, accept an Accident Prevention Program implemented and maintained in accordance with Washington state law (WAC 296-155-110).

- H. The District reserves the right to request updated Contractor safety information at any time during the performance of this Contract. Such updated information will be provided on the attached Appendix "I", Contractor Safety Request for Information Form.
- I. Office Work: Contractor personnel who perform work in an office environment at premises owned, leased, possessed, or controlled by the District shall be required to follow at a minimum the following safety and security requirements. This work includes but is not limited to professional services and consulting, technology-related tasks, and training services. Work activities may include working at a desk, attending meetings, touring facilities, and similar activities.
1. Access: The Security Department administers physical access to District facilities. Contractor personnel shall be issued an ID badge or visitor badge to provide access to work areas as needed per Sections 19 and 20. Workers without authorized access to an area must be escorted at all times. Any person with authorized access may serve as an escort.
 2. Emergency Preparedness: All Contractor personnel, when entering a facility or work area, shall determine the locations of emergency exits, fire extinguishers, first aid kits, AED, and gathering points in case of evacuation.
 3. Housekeeping: Contractor personnel shall keep desks, cubicles, meeting rooms, and all other working areas free from clutter and tripping hazards. Work areas shall be cleaned after use according to applicable guidelines posted by the District in such work areas.

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

Public Utility District No. 2
of Grant County, Washington

Toth and Associates, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX “A”
POTENTIAL TASK LISTING – “MASTER AGREEMENT” FOR PROFESSIONAL ENGINEERING SERVICES

- Design and implementation of substations and/or their interconnections.
- Design and implementation of transmission, distribution, and/or substation modifications.
- Design and implementation of transmission motor operated disconnect switches and communications.
- Design and implementation of communication interconnections to motor operated disconnect switches.
- Transmission line structural and/or foundation design.
- Preliminary transmission line and/or foundation design.
- Geotechnical site assessments for structures.
- Detail transmission line design.
- Underground and under built overhead 13.2kV distribution facilities design.
- Joint Use Analysis (Make-ready studies)
- Overhead and underground fiber design, including optical ground wire (OPGW).
- Overhead and underground distribution facility design.
- Development, testing, and implementation of protection settings and/or configurations.
- System protection design, review, configuration, and/or testing.
- Engineering and transmission system studies.
- Transmission line routing studies.
- Cultural resource assessments.
- Rights-of-way services and acquisitions.
- Environmental impact assessments.
- Environmental and/or biological studies.
- Transmission and/or substation protective relaying design.
- Construction management/project inspection.
- Material testing.
- Miscellaneous testing services such as galvanizing, welding, paint adhesion, or corrosion.
- Substation communications, automation, and/or SCADA design.
- Material/equipment investigations and recommendations.
- Substation testing, commissioning, and device configuration.
- Communication, automation, and/or SCADA equipment testing, configuration, SAT, and/or finite element analysis.
- Other tasks as identified and approved.

APPENDIX "B"
SCOPE OF SERVICES REQUIREMENTS

A. PRELIMINARY DESIGN

Products required shall include as a minimum:

1. Design criteria document detailing the criteria established for the project, including design standards to be used, assumptions to be used for design and materials requirements including quality requirements.
2. Drawings showing general concept of design for construction, modification and/or repair, including details of major design components.
3. Technical specifications of major materials to be utilized in the design for the project.
4. Project schedule using MS Project 2003 (or later) or later by critical path method (CPM) showing the tasks for design, procurement, construction and closeout of the project. The schedule shall also show the required resources needed for the project, including the Contractor's and District's resources.
5. Estimated costs of the project by the components of design, procurement, construction and closeout of the project. Shall also include a schedule of costs in relation to the project schedule described above.
6. Photo overlay renderings of proposed transmission, distribution, or substation facilities to aid in planning, right-of-way procurement, and land procurement.

B. DETAIL DESIGN

Products required shall include as a minimum:

1. Detailed drawings showing all aspects in detail of contract/project. These drawings shall be used for obtaining bids from construction contractors then be used for the construction of the project.
2. Technical specifications of all materials and construction methods to be used in construction of the contract/project, including special conditions and requirements of the contract/project based on input from the District. These documents shall be used for obtaining bids from construction contractors then be used for the construction of the project. These documents will be assembled with the District's standards for contract documents and will be issued by the District's Procurement Department.
3. Work order packages containing all materials and construction methods to be used in construction of the project, including special conditions, right of way submittals and permits. These documents shall be used for construction by District forces.
4. Hard copies of final design drawings and reports shall be stamped and signed by the consulting engineer.

C. PROCUREMENT

Products required shall include as a minimum:

1. Engineer's Estimate based on the Contract Documents for comparison to the proposals received by bidders. The estimate shall be in the same format as the Bid form in the Contract Documents.
2. Addenda to the Technical Specifications in the Contract Documents as may be required during the period when the District Call for Bids and the Bid Closing date.
3. Written evaluation of bid proposals received from bidders including a recommendation of contract award and justification of recommendation.

D. CONSTRUCTION ENGINEERING AND MANAGEMENT

Products required shall include as a minimum:

1. Onsite engineering including contract inspection in accordance with the Contract Documents, providing daily reports and recommendations to problems encountered during construction of the project.
2. Review of shop drawings and submittals, provided by the construction contractor, in accordance with the Contract Documents providing approvals as to conformance with the Contract Documents or rejections with justification for rejection.
3. Review of construction contractor's payment requests in accordance with the Contract Documents providing description of conformances or variances.
4. Preparation and justification of construction contract change orders as may be required to complete the project.

E. RIGHTS OF WAY SERVICES

Products required shall include as a minimum:

1. Determination of ownership for land and improvements.
2. Determination of District existing easements, permits, franchises, etc.
3. Preparation of appraisals for parcels and, if appropriate, affected improvements.
4. Preparation of recommendations to District for offers to be made on appropriate easements.
5. Negotiate with owners; secure appropriate options and easements in properly recordable form with necessary signatures; and pay consideration.

F. ENVIRONMENTAL/PERMITTING SERVICES

Products required shall include as a minimum:

1. Biological, cultural, environmental, archeological, field studies/observations, etc.
2. Documentation of the studies and results.
3. Prepare and submit reports.

G. PROJECT CLOSEOUT

Products required shall include as a minimum:

1. Provide the required number of hard and electronic copies of "Operations and Maintenance Manuals" for all project equipment and facilities.
 2. Final project report describing the history of the project from design through construction noting all major components of the project and including detail descriptions of problem or unique area of the project.
 3. Provide "as-built" drawings of the completed construction in electronic format.
 4. Project files in chronological order of all aspects of the project design (including design calculations), procurement and construction of the project.
- H. Provide reports, depositions and testimony as may be required in the course of administering projects. Perform evaluations and analysis of the operation and maintenance practices and troubleshooting of problems encountered by the District in the administration of its transmission and distribution facilities.
- I. **CONTRACTOR EQUIPMENT**

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

- Electronic distance meters
- Wheel type distance meters
- Cellular phones
- Survey chains of any length
- Metal detectors for locating property pins
- Frost pins
- Hammers
- Range rods
- Picks
- Shovels
- Machetes
- Extension rods for measuring heights
- Flagging ribbon
- Stakes (District standard or equivalent)
- Lath (District standard or equivalent)
- Theodolites or total stations
- Rods of any type including single and/or triple mirrors
- Two-way hand-held radios
- Digital cameras
- Laptop computers, iPads, tablets, desktop computers, including any and all computers, disks, printers, storage media, and other computing hardware

J. **SOFTWARE**

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

AutoCAD®
Microsoft® Project
Microsoft® Word
Microsoft® Excel
Power Line Systems, Inc. PLSCADD
Power Line Systems, Inc. CAISSON
Power Line Systems, Inc. PLS POLE
Power Line Systems, Inc. TOWER
Aspen One Liner

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

K. INTERNET

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

L. TELEPHONE

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

M. COMPUTER TIME

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

N. EQUIPMENT AND SOFTWARE

The equipment, tools, software, etc., in Appendix “B” Sections J, K, L, M, and N shall be included in hourly wage overhead as an operating expense. These items shall not appear itemized on invoices. The District expects the contractor to be fully equipped with these items, as needed, to perform the services required.

**APPENDIX “C”
RATE SCHEDULE**

DIRECT EXPENSES:

Rates are stated in US Dollars.

Engineer's Classification Code	Billing Rate Job Description	Maximum Hourly Billing Rate	Classification
A	Project Manager III	\$225.00	Project management
B	Project Manager II	\$205.00	Project management
C	Project Manager I	\$190.00	Project management
D	Professional Process Management	\$90.00	Word processing, Data Entry
E	Engineer V	\$270.00	Detailed design and studies
F	Engineer IV	\$230.00	Detailed design and studies
G	Engineer III	\$203.00	Detailed design and studies
H	Engineer II	\$182.00	Detailed design and studies
I	Engineer I	\$160.00	Detailed design and studies
J	Engineering Technician V	\$170.00	Drafting, Routine design, Material data entry
K	Engineering Technician IV	\$155.00	Drafting, Routine design, Material data entry
L	Engineering Technician III	\$140.00	Drafting, Routine design, Material data entry
M	Engineering Technician II	\$125.00	Drafting, Routine design, Material data entry
N	Engineering Technician I	\$115.00	Drafting, Routine design, Material data entry
O	Construction Manager	\$205.00	Construction Inspection
P	Construction Inspector	\$190.00	Construction Inspection
Q	GIS Analyst III	\$155.00	Mapping and geospatial data development
R	GIS Analyst II	\$140.00	Mapping and geospatial data development
S	GIS Analyst I	\$115.00	Mapping and geospatial data development
T	Property Specialist III	\$205.00	Right of Way Acquisition
U	Property Specialist II	\$190.00	Right of Way Acquisition
V	Property Specialist I	\$145.00	Right of Way Acquisition
W	Environmental Specialist III	N/A	Environmental Studies (Biologist, Botanist, etc.)
X	Environmental Specialist II	N/A	Environmental Studies (Biologist, Botanist, etc.)
Y	Environmental Specialist I	N/A	Environmental Studies (Biologist, Botanist, etc.)
Z	Permitting Specialist III	N/A	Permit Development and Acquisition

Engineer's Classification Code	Billing Rate Job Description	Maximum Hourly Billing Rate	Classification
AA	Permitting Specialist II	\$190.00	Permit Development and Acquisition
AB	Permitting Specialist I	\$170.00	Permit Development and Acquisition
AC	Public Involvement Specialist III	\$205.00	Public outreach functions
AD	Public Involvement Specialist II	\$190.00	Public outreach functions
AE	Public Involvement Specialist I	\$170.00	Public outreach functions

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

REIMBURSABLE EXPENSES:

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

Meals and Incidental Expenses: Meals and incidental expenses will be limited to the Federal Per Diem rate for meals and incidentals established for the location where lodging is obtained. The current rate for all Grant County locations is \$68.00 per day. Federal Per Diem guidelines which includes the meal breakdown and Federal Per Diem rates for other locations can be found at www.gsa.gov.

Lodging: Lodging will be billed at cost, including applicable taxes, not to exceed 200% of the Federal Per Diem maximum lodging rate for the location where the work is being performed. The current federal maximum lodging rate for all Grant County locations is \$110.00. The District Representative may increase this limit in writing when circumstances require.

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

Sub-consultants/Subcontractors: Services requested by the District, verifiable by applicable supporting documentation or at specified rates, will be reimbursed to Contractor at cost plus a maximum handling charge of 10%.

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

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

APPENDIX "D"
CHANGE ORDER
NO. ____

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

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

Public Utility District No. 2
of Grant County, Washington

Toth and Associates, Inc.

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

APPENDIX "E"
TASK AUTHORIZATION FOR
PROFESSIONAL SERVICES

Contract No.:	130-12765F	Task Authorization No.:		Amendment No.:	
Project Name:					

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

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

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

Public Utility District No. 2
of Grant County, Washington

Toth and Associates, Inc.

Approved for District

Accepted by Contractor

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: District Representative

Title: _____

Date: _____

Date: _____

APPENDIX "F"
NON-DISCLOSURE AGREEMENT

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

RECITALS

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

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

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

NOW, THEREFORE, the Parties agree as follows:

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

3. **Non-Disclosure.** Subject to the provisions of Section 4 and unless the parties agree otherwise, this non-disclosure obligation shall survive the termination of this NDA. Contractor shall not disclose or disseminate Protected Information and shall:
 - A. Restrict disclosure of Protected Information solely to its agents and employees with a need to know and not disclose such Protected Information to any others; and
 - B. Advise and require all of its officers, agents, employees, representatives, prospective and successful subcontractors, consultants and employees thereof with access to the Protected Information to execute an NDA in this same form with the District prior to allowing them access to the Protected Information; and
 - C. Use the Protected Information provided hereunder only for purposes directly related to performance of the work under Contract 130-12765F.
 - D. In the event third parties attempt to obtain the Protected Information by legal process, the Contractor agrees that it will not release or disclose any Protected Information until the District has received notice of the legal process and has been given reasonable opportunity to contest such release of information and/or to assert the confidentiality privilege.
4. **Ownership and Return of Protected Information.** All Protected Information shall remain the property of the District. Contractor is responsible for safeguarding and returning all Protected Information or shall certify, by signed, statement delivered to the District, the destruction of all original Protected Information provided along with any copies made by the Contractor. Such delivery shall be to the District, Attention: Niconia Butler, PO Box 878, Ephrata, WA 98823.
5. **Compliance Audit.** The District may audit Contractor's compliance with this NDA.
6. **Applicable Law.** This NDA is made under, and shall be construed according to, the laws of the State of Washington and the Federal Energy Regulatory Commission regulations. Venue for any action brought pursuant to this NDA shall, at the District's option, be in Grant County Superior Court, Grant County, Washington or in the United States District Court for the Eastern District of Washington.
7. **Assignment.** This NDA may not be assigned.
8. **Violations.** Contractor understands and agrees that the District is providing the Protected Information to Contractor in reliance upon this NDA, and Contractor will be fully responsible to the District for any damages or harm caused to the District by a breach of this NDA by Contractor or any of its officers, directors, agents, employees, subcontractors, consultants or affiliates. Contractor acknowledges and agrees that a breach of any of its promises or agreements contained herein will result in irreparable injury to the District for which there will be no adequate remedy at law, and the District shall be entitled to apply for equitable relief, including injunction and specific performance, in the event of any breach or threatened breach or intended breach of this NDA by Contractor. Such remedies, however, shall not be deemed to be the exclusive remedies for any breach of the Agreement but shall be in addition to all other remedies available at law or in equity. In addition to injunctive relief, civil or criminal penalties may be imposed for each violation of this NDA.
9. **Attorney's Fees.** In the event it is necessary for the District to utilize the services of an attorney

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

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

CONTRACTOR: Name: _____

 Address: _____

 Phone: _____

 Email: _____

 Signature: _____

 Print Name: _____

 Title: _____

 Date: _____

APPENDIX “G”

DEFINITIONS OF PROTECTED INFORMATION

Definition of Critical Infrastructure Protection (CIP)

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

Definition of Critical Energy Infrastructure Information (CEII)

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

Definition of Bulk Electric System Cyber System Information (BCSI)

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

Definition of Security Sensitive Information (SSI)

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

Bulk Electric System (BES)

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

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

Bulk Electric System (BES) Cyber Asset

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



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

Contractor Name: _____ Date: _____

Contract Number: _____ Procurement Officer: _____

Project Manager: _____

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

Accordingly, we certify that:

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

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

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

(Do not send actual background check documents)

Name of company where background check was performed: _____

Certified by: _____ Title: _____

Phone No.: _____ Email: _____

Return this form to: CIPDocuments@gcpud.org

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

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

Evaluation Criteria:

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

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

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

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

- Violence related
- Honesty related

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

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

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

FOR GRANT PUD USE ONLY

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

Signature of PRA Committee member: _____

APPENDIX "I"
CONTRACTOR SAFETY REQUEST FOR INFORMATION



Contractor Safety Request for Info

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

Years in business under current company name: _____

PRINCIPAL BUSINESS ACTIVITY:

- | | | |
|--|--|---|
| ☐ Blasting/Painting | ☐ Instrumentation | ☐ Machining |
| ☐ Cranes | ☐ Lead/Asbestos Abatement | ☐ Welding/Piping |
| ☐ Excavation | ☐ Cement Work | ☐ Electrical |
| ☐ Heavy Transport | ☐ Drilling | ☐ Other _____ |
| ☐ Labor Service | ☐ General Construction | |
| ☐ Scaffold | ☐ Hydro-Blasting/Cleaning | |

EXPERIENCE MODIFICATION RATE:

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

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

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

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

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

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

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

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

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

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

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

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

If yes, briefly describe the program format and/or attach a copy.		
Do you conduct workplace HSE inspections?	☐ Yes	☐ No
If yes, who conducts this inspection? How often? ☐ Daily ☐ Weekly ☐ Biweekly ☐ Monthly ☐ As Needed		
Is the company a member of any external HSE program that awards certificates of recognition?	☐ Yes	☐ No
If yes, list certificates of recognition your company has received within the past 3 years:		

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

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

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

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

REVIEW/APPROVAL SIGNATURES
GRANT PUD USE ONLY

REQUIRED SIGNATURE

SAFETY: _____ DATE _____

DISTRICT REP. _____ DATE _____

☐ RECEIVED

☐ FURTHER REVIEW

For Commission Review – 11-12-2025

RESOLUTION NO. XXXX

A RESOLUTION AMENDING GRANT PUD'S NON-BARGAINING COMPENSATION POLICY
AND SUPERSEDING RESOLUTION 8971 RELATING TO GRANT PUD'S NON-BARGAINING
COMPENSATION POLICY

Recitals

1. Grant PUD has a Non-Bargaining Compensation Policy that was last amended on September 14, 2021 via Resolution 8971;
2. Grant PUD desires to update its Non-Bargaining Compensation Policy to provide guidance and clarity to employees on Grant PUD's compensation philosophy; and
3. Grant PUD's executive leadership has reviewed the updated Non-Bargaining Compensation 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 Non-Bargaining Compensation Policy is hereby approved and adopted and shall be effective January 2, 2026.

Section 2. As of January 2, 2026, Resolution 8971 is hereby superseded to the extent it is inconsistent with this resolution.

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

President

ATTEST:

Secretary

Vice President

Commissioner

Commissioner

MEMORANDUM

October 30, 2025

TO: John Mertlich, General Manager/Chief Executive Officer

FROM: Tod Ayers, Chief HR Officer 
TA

SUBJECT: Revised Non-Bargaining Compensation Policy

Purpose: To request Commission approval of the attached revised Non-Bargaining Compensation Policy, effective January 2, 2026.

Discussion: This policy update includes the following revisions:

- Revise the title from Non-Bargaining Unit Employee Compensation to Non-Bargaining Compensation.
- Revised compensation philosophy to provide clarity:
 - Competitive in the electric utility industry;
 - Equity based across similar positions with similar levels or similar levels of responsibility and qualifications/credential requirements.
- Clarity and structure added to pay adjustments (general wage increases, off-cycle wage increases, merit increases, and performance incentives goals).

The documentation in this packet includes:

- Resolution
- Commission memo
- Clean copy of the current policy
- Red-lined version of the policy to identify edits
- Clean copy of the revised policy

The revised policy will be effective January 2, 2026. The detailed changes can be viewed in the attached redline document. All affected employees will be notified of this policy revision before the effective date.

Recommendation: Commission approval of the attached Non-Bargaining Compensation Policy, effective January 2, 2026.

Legal Review: See attached email.

Effective Date: 09/14/2021	Version: 4 Supersedes: 3	Related Documents:
 POLICY		
Approved by: Commission		Regulation: Resolution 8971
Policy Owner: Senior Manager of Human Resources		Policy Category: Employment, Benefits, and Workplace

Exhibit B

HR-CPE-POL-250 – NON-BARGAINING UNIT EMPLOYEE COMPENSATION

1. Scope

This policy applies to all non-bargaining unit employees. This policy does not apply to Commissioners or Bargaining Unit employees that are covered by the Collective Bargaining Agreement (CBA).

2. Policy Statement

This policy outlines Grant PUD's compensation philosophy and components of the non-bargaining unit employee compensation program. To attract and retain a qualified, highly skilled workforce, it is in Grant PUD's interest to provide a compensation plan that is externally competitive within the northwest electric industry and is personally motivating.

3. Employees not covered by the Collective Bargaining Agreement are employed on an at-will basis.

Employment at Grant PUD is on an at-will basis unless otherwise stated in a written individual employment agreement signed by the General Manager and/or Commission. This means that employment may be terminated by the employee or the employer at any time, for any reason or for no reason, with or without prior notice.

Nothing in this policy or any other policy, employment related or otherwise, creates an employment agreement, express or implied. Nothing contained in this, or any other document provided to the employee is intended to be, nor should it be, construed as a contract that employment or any benefit will be continued for any period of time.

Any salary figures provided to an employee in annual or monthly terms are stated for the sake of convenience or to facilitate comparisons and are not intended and do not create an employment contract for any specific period of time.

Effective Date: 09/14/2021	Version: 4 Supersedes: 3	Related Documents:
 POLICY		
Approved by: Commission		Regulation: Resolution 8971
Policy Owner: Senior Manager of Human Resources		Policy Category: Employment, Benefits, and Workplace

Nothing in this statement is intended to interfere with, restrain, or prevent concerted activity as protected by the National Labor Relations Act. Such activity includes employee communications regarding wages, hours, or other terms or conditions of employment. Grant PUD employees have the right to engage in or refrain from such activities. See also HR-RCE-POL-110, Employment Policy Agreement.

4. Grant PUD’s compensation philosophy is to have a compensation program that is competitive, performance driven, and equity based.

- **Competitive:** We are a market leader by providing a compensation package that considers the market rate, which includes utility industry, local, regional, and national information as appropriate for a given job.
- **Performance driven:** To reward and retain our highly skilled employees, we develop knowledge and skills of employees and reward employees for demonstrated “above-market” performance. Above market performance is defined as performance which is at a level above what the employee’s job description dictates.
- **Equity based:** Where market data is not prevalent for a position, a review of the position description will establish the proper relationship to other positions within Grant PUD in terms of the duties, responsibilities, and objectives of the position, as well as the skills and knowledge requirements. When market data is available, the market will generally dictate the placing of a position into the salary plan.

5. Grant PUD’s Commission shall establish the percentage increase to the salary plan and the pool available for merit increases.

Human Resources (HR) will provide analysis and data and will recommend to the General Manager, who will recommend to the Commission, the percentage in which the Salary Plan should be adjusted, if any.

6. Employees may be eligible for the annual salary adjustment as approved by the Commission.

Effective Date: 09/14/2021	Version: 4 Supersedes: 3	Related Documents:
 POLICY		
Approved by: Commission		Regulation: Resolution 8971
Policy Owner: Senior Manager of Human Resources		Policy Category: Employment, Benefits, and Workplace

Employees whose performance has been satisfactory, as indicated by the employee's supervisor will be considered for an annual salary adjustment as approved by the General Manager.

7. Performance increases may be added to the employee's base salary or as a lump sum at the discretion of the General Manager.

The General Manager may determine the way salary increases are distributed, so long as the total increase to employee salaries is within the budget approved by the Commission. Lump sum payments must be approved by the employee's CXO and must meet the following criteria:

- a. The lump sum must be compensation that is being paid for identified performance goals. (Goals must be clearly defined in an employment agreement and are measurable.)
- b. Performance goals cannot be set for work expected to be normally performed within the job.
- c. The policy and the goals must have existed prior to the period of compensation.
- d. Compensation cannot be given for past performance (retroactive pay). The employee must know the goals in advance of the compensation period (i.e. they work towards it).

8. Employees may initiate a review to re-evaluate a disputed salary level.

The employee requesting the review must supply documentation and reasoning in support of the review to their supervisor. Their supervisor will first notify HR that a review has been requested and a copy of the information will be given to HR. Additional documentation, aside from what the requesting employee provides, may be taken into consideration, such as additional market salary data or other information as needed and appropriate to determine a response to the dispute. HR will take lead on the evaluation of this information.

A meeting will be scheduled with the supervisor, the Senior Manager of HR, and a CXO from a functional area not related to the employee's position, and other appropriate members of management (if appropriate). The request will be reviewed, and final determination will be made. The supervisor will then communicate the information back to the employee

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Approved by: Commission		Regulation: Resolution 8971
Policy Owner: Senior Manager of Human Resources		Policy Category: Employment, Benefits, and Workplace

directly. Supervisors are expected to communicate with their management regarding this process and its associated outcomes.

9. Any reduction in an employee's salary and/or grade must be approved by the CXO of the employee's functional area.

Certain conditions such as inability to perform assigned work, a transfer based on the convenience or request of the employee, or employer mandated action such as a reduction in force, may require an employee to be assigned to a position in a lower salary grade. If a transfer is being considered between two functional areas, then the CXO of each functional area must give approval.

If the current salary of the reassigned employee is above the market point of the new grade level, the salary for that employee will be reconsidered. Consideration may include delaying or canceling an annual performance-based increase to bring the salary in line with the new grade level. In some instances, the employee's salary may be red lined for a period of time determined appropriate by management and the Senior Manager of HR.

All requests to reduce an employee's grade must also be communicated with the Senior Manager of HR prior to action being taken.

10. Review/Revision History

Date	Description
2/14/2014	Initial Effective Date with new policy format, numbering
2/27/2015	Revised
2/26/2016	Revised
11/27/2018	Revised, updated policy format (HR120050-POL)
11/6/2019	Updated document number for new software.
9/14/2021	Updated, renamed, approved by Commission

Effective Date: 1/2/2026	Version: 5 Supersedes: 4	Related Documents: Non-Bargaining Unit Salary Plan
 POLICY		
Approved by: Commission		Regulation: Resolution XXXX
Policy Owner: Chief HR Officer		Policy Category: Employment, Benefits, and Workplace

HR-CPE-POL-250 – NON-BARGAINING COMPENSATION

1. Scope

This policy applies to all non-bargaining unit employees of Grant PUD. It does not apply to Commissioners or employees covered under a Collective Bargaining Agreement (CBA).

2. Purpose

The purpose of this policy is to outline Grant PUD's compensation philosophy and establish the framework for administering non-bargaining unit employee pay programs. Grant PUD strives to attract and retain a highly skilled workforce by maintaining compensation practices that are:

- Externally competitive within the electric utility industry.
- Performance driven, and
- Equity based across similar positions and levels of responsibility and incumbent qualifications/credentials.

3. Employment Relationship

Unless otherwise stated in a written individual employment agreement signed by the General Manager and/or Commission, non-bargaining unit employees are employed at-will. This means employment may be ended by either the employee or Grant PUD at any time, with or without cause or notice.

Nothing in this policy or any other document should be construed as an employment contract or guarantee of continued employment. Any salary figures provided in annual or monthly terms are for convenience and do not imply a fixed employment period.

This policy does not restrict employees' rights under the National Labor Relations Act to engage in or refrain from concerted activity regarding wages, hours, or other terms and conditions of employment. See also HR-RCE-POL-110, Employment Policy Agreement.

4. Compensation Philosophy

- Grant PUD's pay structure is based on comparisons with electric utility industry benchmarks. Market data is reviewed at least every two years to ensure competitiveness.
- When market data is available, the market will generally dictate the placing of a position into the salary structure.

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Effective Date: 1/2/2026	Version: 5 Supersedes: 4	Related Documents: Non-Bargaining Unit Salary Plan
 POLICY		
Approved by: Commission		Regulation: Resolution XXXX
Policy Owner: Chief HR Officer		Policy Category: Employment, Benefits, and Workplace

- 4.3 When market data is not available, Human Resources will evaluate job descriptions, responsibilities, skills, and knowledge to ensure internal alignment with other positions.
- 4.4 To motivate and retain employees, Grant PUD recognizes performance outcomes that directly support the strategic priorities of the utility.

5. Pay Adjustments

5.1 General Wage Increases

The General Manager may ~~recommend an annual general wage increase for Commission approval. HR provides supporting data, including market trends, Consumer Price Index, and Employment Cost Index.~~

- ~~Employees rated Meets Expectations on their annual performance evaluation are eligible for the full general wage increase.~~
- ~~Employees rated Below Expectations may receive a reduced increase, subject to approval by the VP of HR/CHRO (or delegate). Requests for reduced General Wage Increase must be submitted by the employee’s supervisor.~~
- ~~Employees hired, rehired, or promoted on or after October 1 are not eligible for that year’s General Wage Increases. Promotion increases after October 1 will consider projected general wage adjustments.~~

~~Example: If a 2% General Wage Increases is approved, employees who meet expectations will receive a 2% increase, and the salary structure will increase by 2%.~~

5.2 Off-Cycle Wage Increases

~~Grant PUD may authorize salary adjustments outside the annual cycle to address:~~

- ~~Pay Compression or Inversion: When subordinate pay approaches or exceeds that of a supervisor.~~
- ~~Pay Equity Adjustments: To address internal equity issues resulting in pay disparity between employees of similar experience levels, tenure or responsibilities.~~
- ~~Retention Needs: To retain employees who possess critical skills and/or institutional knowledge.~~
- ~~Market Alignment: When compensation for a specific position falls below market benchmarks or industry standards and affects the organization’s ability to remain competitive. Market alignment increases should only be used to bring an employee’s salary that is below market benchmarks within the market range.~~

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 POLICY		
Approved by: Commission		Regulation: Resolution XXXX
Policy Owner: Chief HR Officer		Policy Category: Employment, Benefits, and Workplace

- Increase in Incumbent Career Field Proficiency and Competence: To acknowledge increased ability, competence, and skills of employees in their career field. Increases in career field proficiency and competence must be identified in the employee's job description prior to the request for an off-cycle increase. Examples include but are not limited to obtaining a professional certification, specialized training, experience, or education.

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- Expanded Job Scope: An off-cycle wage increase may be authorized when an employee is assigned higher-level duties or responsibilities representing a significant and measurable expansion of the job scope that are verified by Human Resources. Significant and measurable expansion of job scope shall include increase in the role's complexity, decision-making, accountability, or discretion that is meaningfully increased. If the expanded job scope is temporary, the request must specify the start and end dates for the assignment and wage adjustment. Expanded job scope off-cycle wage increases do not include promotions or job reclassifications.

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All off-cycle wage increases must be:

- Initiated by the supervisor, with written justification detailing the basis for the request, identifying at least one of the reasons in Section 5.2;
- Approved by the employee's VP or higher; and
- Reviewed and approved by the VP of HR/CHRO (or delegate), to ensure alignment with compensation philosophy, internal equity, and compliance with applicable laws and policies.
- Off-cycle increase amounts will be determined by Human Resources consistent with Grant PUD's compensation philosophy.

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Note: Off cycle wage increases are not to be used for merit purposes.

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5.3 Merit Increases

Employees may be eligible for a discretionary merit increase, separate from the general wage increase, based on individual contributions, performance evaluations, and organizational impact. Not all employees will be eligible for merit increases and are based solely on management's discretion.

Eligibility requirements:

- At least six months of continuous service experience in current position during the evaluation period,

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 POLICY		
Approved by: Commission		Regulation: Resolution XXXX
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- A performance rating of Meets Expectations, and
- No formal disciplinary actions (written warning or above) within the evaluation period.

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To be considered for a Merit Increase, the employee must:

- Successfully complete all non-Performance Incentive Goal(s) in their performance plan and
- Meet Expectations on all competencies listed in their performance evaluation.

Supervisors will recommend top performing employees for a merit increase with supporting quantitative and qualitative data that describes how the employee's performance has positively impacted organizational goals.

All merit increases will be approved by the Executive Leadership Team through the calibration process.

Human Resources will annually evaluate merit increases trends to ensure consistent and effective application of the merit increase process.

5.4 Performance Incentives Goals

Employees may receive an incentive as established by the General Manager/CEO annually (not to exceed an amount equivalent to 80 hours of the employee's hourly rate per calendar year) through the Performance Incentive Goal(s) based on the following criteria:

- Must successfully complete the Performance Incentive Goal detailed in their annual performance plan.
- The Performance Incentive Goal must have been established and approved by the employee's supervisor before the work began.
- The Performance Incentive Goal must exceed normal employment requirements outlined in the employee's job description.
- The Performance Incentive Goal must be specific to the individual's performance.
- The Performance Incentive Goals must be based on a measurable outcome.
- All Performance Incentive Goals must align with organizational priorities and be documented in the employee's annual performance plan.

Effective Date: 1/2/2026	Version: 5 Supersedes: 4	Related Documents: Non-Bargaining Unit Salary Plan
 POLICY		
Approved by: Commission		Regulation: Resolution XXXX
Policy Owner: Chief HR Officer		Policy Category: Employment, Benefits, and Workplace

- Employees hired, rehired, or promoted on or after October 1 are not eligible for that year's Performance Incentives Goals.

6. **Salary Reductions, Reclassifications, and Salaries Above the Maximum of Range**

Employee salary or grade reductions must be approved by the General Manager and the Chief Human Resource Officer. Circumstances may include:

- Employee inability to perform assigned work.
- Employee requested transfer.
- Organizational changes (e.g., reduction in force, regrade, or reassignment) or.
- Disciplinary demotion.

Employees that voluntarily seek and accept a job at a lower salary grade do not require the General Manager and Chief Human Resource Officer's approval.

If an employee's salary exceeds the maximum for their grade after reassignment, options may include:

- Freezing ("red lining") salary until aligned with the grade range, or
- Suspending/canceling increases

All requests for regrading must be submitted to Human Resources for market review.

The Commission must approve any salaries above the maximum of the grade level.

7. **Employees may initiate a review to re-evaluate a disputed salary level.**

The employee requesting the review must supply documentation and reasoning in support of the review to their supervisor. Their supervisor will first notify HR that a review has been requested and a copy of the information will be given to HR. Additional documentation, aside from what the requesting employee provides, may be taken into consideration, such as additional market salary data or other information as needed and appropriate to determine a response to the dispute. HR will take lead on the evaluation of this information.

A meeting will be scheduled with the supervisor and HR. The request will be reviewed, and a final determination will be made by HR within 60 calendar days of receipt of the employee-initiated review. The supervisor and Human Resources will then communicate the information back to the employee directly. Supervisors are expected to communicate with their management regarding this process and its associated outcomes. Supervisors are expected to communicate with their management regarding this process and its associated outcomes. Supervisors are expected to communicate with their management regarding this process and

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 POLICY		
Approved by: Commission		Regulation: Resolution XXXX
Policy Owner: <u>Chief HR Officer</u>		Policy Category: Employment, Benefits, and Workplace

its associated outcomes. Supervisors are expected to communicate with their management regarding this process and its associated outcomes.

8. Risks/Risk Owners

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

- Authority Risk
- Governance Risk
- Reputation Risk
- Strategic Planning Risk
- Legal Risk
- Human Capital Risk
- Performance Risk

9. Review/Revision History

Date	Description
2/14/2014	Initial Effective Date with new policy format, numbering
2/27/2015	Revised
2/26/2016	Revised
11/27/2018	Revised, updated policy format (HR120050-POL)
11/6/2019	Updated document number for new software.
9/14/2021	Updated, renamed, approved by Commission <u>(Resolution 8971)</u>
<u>1/2/2026</u>	<u>Revise policy title and compensation philosophy, new sections for Performance Incentives Goals, Off Cycle Wage Increases, and General Wage Increases, revise Merit Increase section (Resolution XXXX).</u>

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Any reduction in an employee's salary and/or grade must be approved by the CXO of the employee's functional area.

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Certain conditions such as inability to perform assigned work, a transfer based on the convenience or request of the employee, or employer mandated action such as a reduction in force, may require an employee to be assigned to a position in a lower salary grade. If a transfer is being considered between two functional areas, then the CXO of each functional area must give approval.¶

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If the current salary of the reassigned employee is above the market point of the new grade level, the salary for that employee will be reconsidered.

Consideration may include delaying or canceling an annual performance-based increase to bring the salary in line with the new grade level. In some instances, the employee's salary may be red lined for a period of time determined appropriate by management and the Senior Manager of HR.¶

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All requests to reduce an employee's grade must also be communicated with the Senior Manager of HR prior to action being taken.

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 POLICY		
Approved by: Commission		Regulation: Resolution XXXX
Policy Owner: Chief HR Officer		Policy Category: Employment, Benefits, and Workplace

HR-CPE-POL-250 – NON-BARGAINING COMPENSATION

1. Scope

This policy applies to all non-bargaining unit employees of Grant PUD. It does not apply to Commissioners or employees covered under a Collective Bargaining Agreement (CBA).

2. Purpose

The purpose of this policy is to outline Grant PUD’s compensation philosophy and establish the framework for administering non-bargaining unit employee pay programs. Grant PUD strives to attract and retain a highly skilled workforce by maintaining compensation practices that are:

- Externally competitive within the electric utility industry,
- Performance driven, and
- Equity based across similar positions and levels of responsibility and incumbent qualifications/credentials.

3. Employment Relationship

Unless otherwise stated in a written individual employment agreement signed by the General Manager and/or Commission, non-bargaining unit employees are employed at-will. This means employment may be ended by either the employee or Grant PUD at any time, with or without cause or notice.

Nothing in this policy or any other document should be construed as an employment contract or guarantee of continued employment. Any salary figures provided in annual or monthly terms are for convenience and do not imply a fixed employment period.

This policy does not restrict employees’ rights under the National Labor Relations Act to engage in or refrain from concerted activity regarding wages, hours, or other terms and conditions of employment. See also HR-RCE-POL-110, Employment Policy Agreement.

4. Compensation Philosophy

- 4.1 Grant PUD’s pay structure is based on comparisons with electric utility industry benchmarks. Market data is reviewed at least every two years to ensure competitiveness.
- 4.2 When market data is available, the market will generally dictate the placing of a position into the salary structure.

Effective Date: 1/2/2026	Version: 5 Supersedes: 4	Related Documents: Non-Bargaining Unit Salary Plan
 POLICY		
Approved by: Commission		Regulation: Resolution XXXX
Policy Owner: Chief HR Officer		Policy Category: Employment, Benefits, and Workplace

- 4.3 When market data is not available, Human Resources will evaluate job descriptions, responsibilities, skills, and knowledge to ensure internal alignment with other positions.
- 4.4 To motivate and retain employees, Grant PUD recognizes performance outcomes that directly support the strategic priorities of the utility.

5. Pay Adjustments

5.1 General Wage Increases

The General Manager may recommend an annual general wage increase for Commission approval. HR provides supporting data, including market trends, Consumer Price Index, and Employment Cost Index.

- Employees rated Meets Expectations on their annual performance evaluation are eligible for the full general wage increase.
- Employees rated Below Expectations may receive a reduced increase, subject to approval by the VP of HR/CHRO (or delegate). Requests for reduced General Wage Increase must be submitted by the employee's supervisor.
- Employees hired, rehired, or promoted on or after October 1 are not eligible for that year's General Wage Increases. Promotion increases after October 1 will consider projected general wage adjustments.

Example: If a 2% General Wage Increases is approved, employees who meet expectations will receive a 2% increase, and the salary structure will increase by 2%.

5.2 Off-Cycle Wage Increases

Grant PUD may authorize salary adjustments outside the annual cycle to address:

- Pay Compression or Inversion: When subordinate pay approaches or exceeds that of a supervisor.
- Pay Equity Adjustments: To address internal equity issues resulting in pay disparity between employees of similar experience levels, tenure or responsibilities.
- Retention Needs: To retain employees who possess critical skills and/or institutional knowledge.
- Market Alignment: When compensation for a specific position falls below market benchmarks or industry standards and affects the organization's ability to remain competitive. Market alignment increases should only be used to bring an employee's salary that is below market benchmarks within the market range.

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- **Increase in Incumbent Career Field Proficiency and Competence:** To acknowledge increased ability, competence, and skills of employees in their career field. Increases in career field proficiency and competence must be identified in the employee's job description prior to the request for an off-cycle increase. Examples include but are not limited to obtaining a professional certification, specialized training, experience, or education.
- **Expanded Job Scope:** An off-cycle wage increase may be authorized when an employee is assigned higher-level duties or responsibilities representing a significant and measurable expansion of the job scope that are verified by Human Resources. Significant and measurable expansion of job scope shall include increase in the role's complexity, decision-making, accountability, or discretion that is meaningfully increased. If the expanded job scope is temporary, the request must specify the start and end dates for the assignment and wage adjustment. Expanded job scope off-cycle wage increases do not include promotions or job reclassifications.

All off-cycle wage increases must be:

- Initiated by the supervisor, with written justification detailing the basis for the request, identifying at least one of the reasons in Section 5.2;
- Approved by the employee's VP or higher; and
- Reviewed and approved by the VP of HR/CHRO (or delegate), to ensure alignment with compensation philosophy, internal equity, and compliance with applicable laws and policies.
- Off-cycle increase amounts will be determined by Human Resources consistent with Grant PUD's compensation philosophy.

Note: Off cycle wage increases are not to be used for merit purposes.

5.3 Merit Increases

Employees may be eligible for a discretionary merit increase, separate from the general wage increase, based on individual contributions, performance evaluations, and organizational impact. Not all employees will be eligible for merit increases and are based solely on management's discretion.

Eligibility requirements:

- At least six months of continuous service experience in current position during the evaluation period,

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To be considered for a Merit Increase, the employee must:

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Supervisors will recommend top performing employees for a merit increase with supporting quantitative and qualitative data that describes how the employee's performance has positively impacted organizational goals.

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- The Performance Incentive Goal must exceed normal employment requirements outlined in the employee's job description.
- The Performance Incentive Goal must be specific to the individual's performance.
- The Performance Incentive Goals must be based on a measurable outcome.
- All Performance Incentive Goals must align with organizational priorities and be documented in the employee's annual performance plan.

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 POLICY		
Approved by: Commission		Regulation: Resolution XXXX
Policy Owner: Chief HR Officer		Policy Category: Employment, Benefits, and Workplace

- Employees hired, rehired, or promoted on or after October 1 are not eligible for that year's Performance Incentives Goals.

6. Salary Reductions, Reclassifications, and Salaries Above the Maximum of Range

Employee salary or grade reductions must be approved by the General Manager and the Chief Human Resource Officer. Circumstances may include:

- Employee inability to perform assigned work,
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Employees that voluntarily seek and accept a job at a lower salary grade do not require the General Manager and Chief Human Resource Officer's approval.

If an employee's salary exceeds the maximum for their grade after reassignment, options may include:

- Freezing ("red lining") salary until aligned with the grade range, or
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All requests for regrading must be submitted to Human Resources for market review.

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8. Risks/Risk Owners

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

- Authority Risk
- Governance Risk
- Reputation Risk
- Strategic Planning Risk
- Legal Risk
- Human Capital Risk
- Performance Risk

9. Review/Revision History

Date	Description
2/14/2014	Initial Effective Date with new policy format, numbering
2/27/2015	Revised
2/26/2016	Revised
11/27/2018	Revised, updated policy format (HR120050-POL)
11/6/2019	Updated document number for new software.
9/14/2021	Updated, renamed, approved by Commission (Resolution 8971)
1/2/2026	Revise policy title and compensation philosophy, new sections for Performance Incentives Goals, Off Cycle Wage Increases, and General Wage Increases, revise Merit Increase section (Resolution XXXX).