

A G E N D A
GRANT COUNTY PUBLIC UTILITY DISTRICT
30 C Street SW – Commission Meeting Room
Ephrata, Washington
COMMISSION MEETING
Tuesday, February 27, 2024

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

- 8:30 a.m.** Executive Session
- 9:00 a.m.** Commission Convenes
Review and Sign Vouchers
- 9:30 a.m.** Reports from staff
- 12:00 Noon** Lunch with County Commissioners
- 1:00 p.m.** Safety Briefing
Pledge of Allegiance
Attendance
Public requests to discuss agenda items/non-agenda items
Correspondence
Business Meeting

1. Consent Agenda

Approval of Vouchers

Meeting minutes of February 13, 2024

2. Regular Agenda

9044 – Resolution Accepting a Bid and Awarding Contract 170-11912, for Supplying 45 FT and 50 FT Class 2 Western Red Cedar Poles.

Motion authorizing the General Manager/CEO to execute Change Order No. 3 to Contract 430-10199 with Associated Underwater Services, Inc., increasing the not-to-exceed contract amount by \$200,000.00 for a new contract total of \$1,119,462.50 and resetting the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for charges incurred as a result of Change Order No. 3. (3471)

Motion authorizing transfer of any proceeds from Cap and Investment Auction of Climate Commitment Act (CCA) Credits received be recorded in the R&C fund, until clear governance and procedures have been developed to manage funds. (3472)

3. Review Items For Next Business Meeting

XXXX – Resolution Accepting a Bid and Awarding Contract 130-12121, for Distribution Line Tree Trimming and Removal Services to December 31, 2024.

XXXX – Resolution of the Commission of Public Utility District No. 2 of Grant County, Washington, Establishing a Letter of Credit and Line of Credit Facility and Providing for the Issuance and Sale of Subordinate Electric System Revenue Notes to Evident the District’s Obligations Under the Related Credit Agreement; Providing the Form and Term of the Notes; and Authorizing Other Matters Related Thereto.

Motion authorizing payment of non-compliant purchase from Chelan County PUD, invoice number MS-010627 dated November 6, 2023, in the amount of \$20,313.10. (xxx)

4. Calendar

5. Reports from Staff (if applicable)

Adjournment

CONSENT AGENDA

Draft – Subject to Commission Review

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

February 13, 2024

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

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

The Commission convened to review vouchers and correspondence.

The Commission recessed at 9:08 a.m.

The Commission resumed at 9:30 a.m.

A round table discussion was held regarding the following topics: voucher inquires from Commissioner Wilson; transfer of knowledge throughout organizational realignment efforts and staff repositioning; inquiry into reasoning behind cancellation of the Pilot Succession Planning program from the Big 3 in 2023 key initiatives; Moses Lake transmission planning; request to discuss lands acquisition and easement policy at future workshop; request for training and revisit of the travel and expense reimbursement policy; request for executive session to discuss future land acquisitions; inquiry into location of recent easement acquisition; stressed urgency of new resource exploration; and status of Quincy and Moses Lake cluster studies.

Rich Wallen, General Manager / CEO, and Fallon Long, Managing Director of Integrated Operational Services, recognized Facilities Department employees for continuously exemplifying Grant PUD values through teamwork, dedication, delivery of high-level service through extreme weather conditions, support of each other through adversity, and showing up each day with expressions of positivity.

Baxter Gillette, Large Power Solutions Manager, and Dave Churchman, Project Specialist X, provided a Demand Response and Crypto Pilot Program Overview.

Charles Meyer, Managing Director of Enterprise Technology; Matt Johnson, IT Manager of Platform Operations; Paula Alley, IT Manager of Enterprise Systems; Robert Grutko, IT Manager of Architecture and Systems Engineering; and Amanda Anthony, IT Manager of Quality Assurance, presented the Enterprise Technology Report.

Chuck Allen, Senior Manager of External Affairs and Communications, and Ryan Holterhoff, Senior Policy Analyst of Government and Regulatory Affairs, reviewed the Federal and State Legislative Update Report.

Rich Wallen, GM/CEO, and Mitch Delabarre, GC/CLO, reviewed delegation Resolution Nos. 8608 and 8609. At the direction of the Commission, general manager delegation levels will remain unchanged as outlined in Resolution Nos. 8608 and 8609.

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

Consent agenda motion was made Mr. Cox and seconded by Mrs. Wilson to approve the following consent agenda items:

Payment Number	139540	through	140189	\$18,153,769.03
Payroll Direct Deposit	231341	through	232951	\$4,825,848.47
Payroll Tax and Garnishments	20240124A	through	20240207B	\$2,099,632.04

Meeting minutes of January 23, 2024.

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

Motion was made by Mr. Cox and seconded by Mr. Pyle approving ratification of no-cost Intergovernmental Cooperative Purchasing Agreement with OMNIA Partners. After consideration, the motion passed by unanimous vote of the Commission.

The Commissioners reviewed future agenda items.

The Commission calendar was reviewed.

New employee, Dawn Van Diest, Staff Attorney II, was introduced to the Commission.

John Mertlich, Managing Director of Energy Supply Management; Rich Flanigan, Senior Manager of Wholesale Marketing and Supply; Susan Manville, Manager of Transmission Services; Craig Kunz, Manager of Forecasting and Planning; Andrew Munro, Project Specialist X; and Paul Dietz, Senior Manager of Forecasting and Marketing, presented the Energy Supply Management (ESM) Report.

An executive session was announced at 2:25 p.m. to last until 4:30 p.m. to review performance of a public employee with legal counsel present pursuant to RCW 42.30.110(1)(g), to discuss pending litigation with legal counsel present pursuant to RCW 42.30.110(1)(i) and to discuss lease or purchase of real estate if disclosure would increase price with legal counsel present pursuant to RCW 42.30.110(1)(b). The executive session concluded at 4:30 p.m.

There being no further business to discuss, the Commission adjourned at 4:30 p.m. on February 13 and reconvened on Tuesday, February 20, at 8:30 a.m. for the purpose of holding a workshop and any other business that may come before the Commission with the following Commissioners present: Tom Flint, Terry Pyle, Larry Schaapman (via Microsoft Teams), Judy Wilson, and Nelson Cox. A copy of the notice of adjournment was posted to the Grant PUD website.

There being no further business to discuss, the Commission adjourned at [redacted] p.m. on February 20 and reconvened on Thursday, February 22, at 1:00 p.m. for the purpose of attending the Investing in America Press Conference and any other business that may come before the Commission with the following Commissioners present: Tom Flint, Terry Pyle, Judy Wilson, and Nelson Cox. A copy of the notice of adjournment was posted to the Grant PUD website.

There being no further business to discuss, the February 13, 2024 meeting officially adjourned at 2:00 p.m. on February 22, 2024.

Tom Flint, President

ATTEST:

Larry Schaapman, Secretary

Terry Pyle, Vice President

Judy Wilson, Commissioner

Nelson Cox, Commissioner

REGULAR AGENDA

RESOLUTION NO. 9044

A RESOLUTION ACCEPTING A BID AND AWARDING CONTRACT 170-11912, FOR
SUPPLYING 45 FT AND 50 FT CLASS 2 WESTERN RED CEDAR POLES

Recitals

1. Bids were publicly opened on December 13, 2023 for Contract 170-11912, for Supplying 45 FT and 50 FT Class 2 Western Red Cedar Poles;
2. Bid proposals were received from the following suppliers/contractors and evaluated by Grant PUD's staff;
 - Stella-Jones Corporation \$4,905,440.00
3. The low bid, submitted by Stella-Jones Corporation is both commercially and technically compliant with Grant PUD's contract requirements;
4. The bid is less than the Engineer's Estimate of \$5,990,000.00; and
5. Grant PUD's Senior Manager of Power Delivery Engineering and General Manager concur with staff and recommend award to Stella-Jones Corporation as the lowest responsible and best bid based on Grant PUD's plan and specifications.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington, that the General Manager is authorized to enter into a contract, Contract 170-11912, for Supplying 45 FT and 50 FT Class 2 Western Red Cedar Poles with Stella-Jones Corporation of Tacoma, Washington in the amount of \$4,905,440.00 plus applicable sales tax, upon receipt of the required payment and performance bond in a manner satisfactory to Grant PUD's Counsel.

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

President

ATTEST:

Secretary

Vice President

Commissioner

Commissioner

MEMORANDUM

January 8, 2024

TO: Richard Wallen, General Manager/Chief Executive Officer

VIA: Jeff Grizzel, Chief Operations Officer
Ron Alexander, Managing Director of Power Delivery
Jesus Lopez, Senior Manager of Power Delivery Engineering
Bob Kakaley, Distribution Systems Supervisor

FROM: Kyle Robillard, Project Manager

SUBJECT: Award of Contract 170-11912 for Supplying 45’ and 50’ Western Red Cedar Poles

Purpose: To request Commission approval to award Contract 170-11912 to Stella-Jones Corporation to supply Forty-Five foot and Fifty-foot Western Red Cedar ANSI Class 2 poles in the amount of \$4,905,440.00, plus sales tax.

Discussion: This Contract will supply Forty-Five foot and Fifty-foot Western Red Cedar ANSI Class 2 poles for new line extensions, new customer requests, upgrading and/or replacement of aged or damaged poles and inventory for use during emergency situations. The Forty-Five-foot poles are our most used and our typical standard for new installations. The majority of the Fifty-foot poles will be purchased for a specific customer project. Manufacturers are pre-approved, and their material must meet or exceed the current District technical specifications.

Stella-Jones Corporation submitted the only bid for this contract. The breakdown of their bid is shown below.

Bidders	Bid Item: Forty-Five-foot Western Red Cedar ANSI Class 2 poles (for 3,000 poles)	Bid Item: Fifty-foot Western Red Cedar ANSI Class 2 poles (for 200 poles)	Total
Stella-Jones Corporation	\$4,545,300.00	\$360,140.00	\$4,905,440.00
Engineers Estimate	\$5,550,000.00	\$440,000.00	\$5,990,000.00

The following table shows the price per pole proposed by bidders on this contract (170-11912) against the last several contracts.

Bidders	Bid Item: Forty-Five foot Western Red Cedar ANSI Class 2 poles	Bid Item: Fifty foot Western Red Cedar ANSI Class 2 poles
Stella-Jones Corporation – 2024 (170-11912)	\$1,515.10	\$1,800.70*
Stella-Jones Corporation - 2023	\$1,437.00	-
Stella-Jones Corporation - 2021	\$924.00	-
Stella-Jones Corporation - 2020	\$917.00	-

*The previous pole contracts did not include Fifty-foot poles.

This bid was evaluated for commercial and technical compliance. This bid was deemed to be technically and commercially compliant.

Justification: These poles are a key part of the infrastructure that the District installs for supplying electric service to its customers. This Contract allows the District to procure and keep in stock these poles, which shall be installed as new infrastructure for load growth, to improve system reliability, and as replacement of existing infrastructure due to the upgrading or repairing of damaged infrastructure.

If not approved the District would run out of these poles and therefore be unable to build out new overhead lines in order to connect new customers, improve reliability or replace damaged material.

Financial Considerations: This contract was a competitively bid contract and will be awarded to the lowest bidder that meets all commercial and technical compliance. The bid prices and the Engineers Estimate can be reviewed in the table above. All bids came back within an acceptable range of the Engineers Estimate.

Contract Specifics: Contract 170-11912 contains 2 bid items.

- Item 1: Forty-Five-foot Western Red Cedar ANSI Class 2 poles.
Power Delivery Engineering estimates a need for 3000 of these poles over the life of this contract to accommodate new projects, be prepared for emergency events and to restock the District's warehouses to an appropriate level.
- Item 2: Fifty-foot Western Red Cedar ANSI Class 2 poles.
Power Delivery Engineering estimates a need for 200 of these poles over the life of this contract. Most of the poles will be used for a specific customer project. The rest will be used to accommodate new projects, be prepared for emergency events and to restock the District's warehouses to an appropriate level.

Recommendation: It is my recommendation that Commission award contract 170-11912 for Supplying 45' and 50' Western Red Cedar Poles to Stella-Jones Corporation for a contract price of \$4,905,440.00, plus sales tax.

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

From: [Jeff Grizzel](#)
To: [Kyle Robillard](#); [Emilie DeLong](#); [Ron Alexander](#); [Jesus Lopez](#); [Bob Kakaley](#)
Subject: Re: Contract 170-11912 - Supplying 45" and 50" Western Red Cedar Poles - Commission Memo
Date: Wednesday, January 10, 2024 1:00:28 PM
Attachments: [image001.jpg](#)

Thanks for the addition Kyle. I approve.

Jeff

From: Kyle Robillard <krobillard@gcpud.org>
Sent: Wednesday, January 10, 2024 10:38 AM
To: Emilie DeLong <Edelong@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <Jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>
Subject: RE: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Thank you Emilie.

All,

Please see the new memo stating that Stell-Jones Corporation was the only bidder.

Let me know if you have other questions/concerns. If you do not, please respond to this email with your approval for this memo/contract to be seen by commission for review.

Thank you,

Kyle Robillard

Distribution Engineering

OFFICE 509.793.1576

EXT. 2203

Cell 509.750.3727



grantpud.org

From: Emilie DeLong <Edelong@gcpud.org>
Sent: Wednesday, January 10, 2024 10:34 AM
To: Kyle Robillard <krobillard@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>
Cc: Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <Jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>

Subject: RE: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Kyle,

I confirmed with Pat and Lori. The Resolution that Mitch reviewed, shows Stella-Jones is the only Bidder. It has also been raised as a concern to Legal in the past. Adding this language to the Memo will not require any further Legal review. Please revise and re-attach to this string.

Thank you!

Emilie DeLong

Procurement Officer

OFFICE 509.754.5088

EXT. 2469

EMAIL edelong@gcpud.org



grantpud.org

From: Kyle Robillard <krobillard@gcpud.org>

Sent: Wednesday, January 10, 2024 7:00 AM

To: Jeff Grizzel <jgrizzel@gcpud.org>; Emilie DeLong <Edelong@gcpud.org>

Cc: Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>

Subject: RE: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Jeff,

Yes, they were the only bidder. I will include this more clearly in the memo.

Emilie,

With this revision to the memo, does Legal need to review it once more? Or can I just re-attach it here for the approval of those on this email?

Thank you,
Kyle

From: Jeff Grizzel <jgrizzel@gcpud.org>

Sent: Wednesday, January 10, 2024 5:20 AM

To: Kyle Robillard <krobillard@gcpud.org>

Cc: Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>; Emilie DeLong <Edelong@gcpud.org>

Subject: RE: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Kyle – it appears Stella-Jones was the only bidder on this contract. If that’s the case, let’s state that very clearly in the memo since I’m sure the Commission will ask that question if we don’t address it. If they weren’t the only bidder, then I’d like to see a list of the other bidders and their bid prices included in the memo.

Thank you,
Jeff

From: Emilie DeLong <Edelong@gcpud.org>

Sent: Tuesday, January 9, 2024 4:42 PM

To: Kyle Robillard <krobillard@gcpud.org>

Cc: Jeff Grizzel <jgrizzel@gcpud.org>; Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>

Subject: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Hi Kyle,
Legal has approved the Commission Memo and draft Resolution for Commission submission. Please proceed with obtaining signatures (email approvals) from each signer.

Thank you,

Emilie DeLong

Procurement Officer

OFFICE 509.754.5088

EXT. 2469

EMAIL edelong@gcpud.org



grantpud.org

From: [Ron Alexander](#)
To: [Kyle Robillard](#)
Cc: [Emilie DeLong](#)
Subject: RE: Contract 170-11912 - Supplying 45" and 50" Western Red Cedar Poles - Commission Memo
Date: Monday, January 22, 2024 8:04:02 AM
Attachments: [image001.jpg](#)

Hello Kyle. I had no concerns with the memo. We can move forward with it.

Thank you

From: Kyle Robillard <krobillard@gcpud.org>
Sent: Monday, January 22, 2024 7:28 AM
To: Ron Alexander <ralexander@gcpud.org>
Cc: Emilie DeLong <Edelong@gcpud.org>
Subject: FW: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Good morning Ron,

Just checking to see if you have had a chance to review this memo for the approval of a new distribution pole contract.

Thanks,
Kyle

From: Kyle Robillard
Sent: Wednesday, January 10, 2024 10:39 AM
To: Emilie DeLong <Edelong@gcpud.org>; Jeff Grizzel <jgrizzel@gcpud.org>; Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>
Subject: RE: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Thank you Emilie.

All,

Please see the new memo stating that Stell-Jones Corporation was the only bidder.

Let me know if you have other questions/concerns. If you do not, please respond to this email with your approval for this memo/contract to be seen by commission for review.

Thank you,

Kyle Robillard
Distribution Engineering

OFFICE 509.793.1576
EXT. 2203
Cell 509.750.3727



grantpud.org

From: Emilie DeLong <Edelong@gcpud.org>
Sent: Wednesday, January 10, 2024 10:34 AM
To: Kyle Robillard <krobillard@gcpud.org>; Jeff Grizzel <jgrizzel@gcpud.org>
Cc: Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>
Subject: RE: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Kyle,

I confirmed with Pat and Lori. The Resolution that Mitch reviewed, shows Stella-Jones is the only Bidder. It has also been raised as a concern to Legal in the past. Adding this language to the Memo will not require any further Legal review. Please revise and re-attach to this string.

Thank you!

Emilie DeLong

Procurement Officer

OFFICE 509.754.5088
EXT. 2469
EMAIL edelong@gcpud.org



grantpud.org

From: Kyle Robillard <krobillard@gcpud.org>
Sent: Wednesday, January 10, 2024 7:00 AM
To: Jeff Grizzel <jgrizzel@gcpud.org>; Emilie DeLong <Edelong@gcpud.org>
Cc: Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>
Subject: RE: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Jeff,

Yes, they were the only bidder. I will include this more clearly in the memo.

Emilie,

With this revision to the memo, does Legal need to review it once more? Or can I just re-attach it here for the approval of those on this email?

Thank you,
Kyle

From: Jeff Grizzel <jgrizzel@gcpud.org>
Sent: Wednesday, January 10, 2024 5:20 AM
To: Kyle Robillard <krobillard@gcpud.org>
Cc: Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>; Emilie DeLong <Edelong@gcpud.org>
Subject: RE: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Kyle – it appears Stella-Jones was the only bidder on this contract. If that’s the case, let’s state that very clearly in the memo since I’m sure the Commission will ask that question if we don’t address it. If they weren’t the only bidder, then I’d like to see a list of the other bidders and their bid prices included in the memo.

Thank you,
Jeff

From: Emilie DeLong <Edelong@gcpud.org>
Sent: Tuesday, January 9, 2024 4:42 PM
To: Kyle Robillard <krobillard@gcpud.org>
Cc: Jeff Grizzel <jgrizzel@gcpud.org>; Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>
Subject: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Hi Kyle,
Legal has approved the Commission Memo and draft Resolution for Commission submission. Please proceed with obtaining signatures (email approvals) from each signer.

Thank you,

Emilie DeLong

Procurement Officer

OFFICE 509.754.5088

EXT. 2469

EMAIL edelong@gcpud.org



grantpud.org

From: [Jesus Lopez](#)
To: [Jeff Grizzel](#); [Kyle Robillard](#); [Emilie DeLong](#); [Ron Alexander](#); [Bob Kakaley](#)
Subject: RE: Contract 170-11912 - Supplying 45" and 50" Western Red Cedar Poles - Commission Memo
Date: Wednesday, January 10, 2024 1:33:37 PM
Attachments: [image001.jpg](#)

Thanks Kyle. I also approve.

Jesus

From: Jeff Grizzel <jgrizzel@gcpud.org>
Sent: Wednesday, January 10, 2024 1:00 PM
To: Kyle Robillard <krobillard@gcpud.org>; Emilie DeLong <Edelong@gcpud.org>; Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>
Subject: Re: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Thanks for the addition Kyle. I approve.

Jeff

From: Kyle Robillard <krobillard@gcpud.org>
Sent: Wednesday, January 10, 2024 10:38 AM
To: Emilie DeLong <Edelong@gcpud.org>; Jeff Grizzel <jgrizzel@gcpud.org>; Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>
Subject: RE: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Thank you Emilie.

All,

Please see the new memo stating that Stell-Jones Corporation was the only bidder.

Let me know if you have other questions/concerns. If you do not, please respond to this email with your approval for this memo/contract to be seen by commission for review.

Thank you,

Kyle Robillard

Distribution Engineering

OFFICE 509.793.1576

EXT. 2203

Cell 509.750.3727



grantpud.org

From: Emilie DeLong <Edelong@gcpud.org>
Sent: Wednesday, January 10, 2024 10:34 AM
To: Kyle Robillard <krobillard@gcpud.org>; Jeff Grizzel <jgrizzel@gcpud.org>
Cc: Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>
Subject: RE: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Kyle,
I confirmed with Pat and Lori. The Resolution that Mitch reviewed, shows Stella-Jones is the only Bidder. It has also been raised as a concern to Legal in the past. Adding this language to the Memo will not require any further Legal review. Please revise and re-attach to this string.

Thank you!

Emilie DeLong
Procurement Officer

OFFICE 509.754.5088
EXT. 2469
EMAIL edelong@gcpud.org



grantpud.org

From: Kyle Robillard <krobillard@gcpud.org>
Sent: Wednesday, January 10, 2024 7:00 AM
To: Jeff Grizzel <jgrizzel@gcpud.org>; Emilie DeLong <Edelong@gcpud.org>
Cc: Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>
Subject: RE: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Jeff,

Yes, they were the only bidder. I will include this more clearly in the memo.

Emilie,

With this revision to the memo, does Legal need to review it once more? Or can I just re-attach it here for the approval of those on this email?

Thank you,
Kyle

From: Jeff Grizzel <jgrizzel@gcpud.org>
Sent: Wednesday, January 10, 2024 5:20 AM
To: Kyle Robillard <krobillard@gcpud.org>
Cc: Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>; Emilie DeLong <Edelong@gcpud.org>
Subject: RE: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Kyle – it appears Stella-Jones was the only bidder on this contract. If that’s the case, let’s state that very clearly in the memo since I’m sure the Commission will ask that question if we don’t address it. If they weren’t the only bidder, then I’d like to see a list of the other bidders and their bid prices included in the memo.

Thank you,
Jeff

From: Emilie DeLong <Edelong@gcpud.org>
Sent: Tuesday, January 9, 2024 4:42 PM
To: Kyle Robillard <krobillard@gcpud.org>
Cc: Jeff Grizzel <jgrizzel@gcpud.org>; Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>
Subject: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Hi Kyle,
Legal has approved the Commission Memo and draft Resolution for Commission submission. Please proceed with obtaining signatures (email approvals) from each signer.

Thank you,

Emilie DeLong
Procurement Officer

OFFICE 509.754.5088
EXT. 2469
EMAIL edelong@gcpud.org



grantpud.org

From: [Bob Kakaley](#)
To: [Kyle Robillard](#); [Emilie DeLong](#); [Jeff Grizzel](#); [Ron Alexander](#); [Jesus Lopez](#)
Subject: RE: Contract 170-11912 - Supplying 45" and 50" Western Red Cedar Poles - Commission Memo
Date: Wednesday, January 10, 2024 1:10:40 PM
Attachments: [image001.jpg](#)

I approve.

Bob

From: Kyle Robillard <krobillard@gcpud.org>
Sent: Wednesday, January 10, 2024 10:39 AM
To: Emilie DeLong <Edelong@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <Jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>
Subject: RE: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Thank you Emilie.

All,

Please see the new memo stating that Stell-Jones Corporation was the only bidder.

Let me know if you have other questions/concerns. If you do not, please respond to this email with your approval for this memo/contract to be seen by commission for review.

Thank you,

Kyle Robillard

Distribution Engineering

OFFICE 509.793.1576

EXT. 2203

Cell 509.750.3727



grantpud.org

From: Emilie DeLong <Edelong@gcpud.org>
Sent: Wednesday, January 10, 2024 10:34 AM
To: Kyle Robillard <krobillard@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>
Cc: Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <Jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>

Subject: RE: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Kyle,

I confirmed with Pat and Lori. The Resolution that Mitch reviewed, shows Stella-Jones is the only Bidder. It has also been raised as a concern to Legal in the past. Adding this language to the Memo will not require any further Legal review. Please revise and re-attach to this string.

Thank you!

Emilie DeLong

Procurement Officer

OFFICE 509.754.5088

EXT. 2469

EMAIL edelong@gcpud.org



grantpud.org

From: Kyle Robillard <krobillard@gcpud.org>

Sent: Wednesday, January 10, 2024 7:00 AM

To: Jeff Grizzel <jgrizzel@gcpud.org>; Emilie DeLong <Edelong@gcpud.org>

Cc: Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <Jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>

Subject: RE: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Jeff,

Yes, they were the only bidder. I will include this more clearly in the memo.

Emilie,

With this revision to the memo, does Legal need to review it once more? Or can I just re-attach it here for the approval of those on this email?

Thank you,
Kyle

From: Jeff Grizzel <jgrizzel@gcpud.org>

Sent: Wednesday, January 10, 2024 5:20 AM

To: Kyle Robillard <krobillard@gcpud.org>

Cc: Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>; Emilie DeLong <Edelong@gcpud.org>

Subject: RE: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Kyle – it appears Stella-Jones was the only bidder on this contract. If that’s the case, let’s state that very clearly in the memo since I’m sure the Commission will ask that question if we don’t address it. If they weren’t the only bidder, then I’d like to see a list of the other bidders and their bid prices included in the memo.

Thank you,
Jeff

From: Emilie DeLong <Edelong@gcpud.org>

Sent: Tuesday, January 9, 2024 4:42 PM

To: Kyle Robillard <krobillard@gcpud.org>

Cc: Jeff Grizzel <jgrizzel@gcpud.org>; Ron Alexander <ralexander@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Bob Kakaley <bkakaley@gcpud.org>

Subject: Contract 170-11912 - Supplying 45' and 50' Western Red Cedar Poles - Commission Memo

Hi Kyle,

Legal has approved the Commission Memo and draft Resolution for Commission submission. Please proceed with obtaining signatures (email approvals) from each signer.

Thank you,

Emilie DeLong

Procurement Officer

OFFICE 509.754.5088

EXT. 2469

EMAIL edelong@gcpud.org



grantpud.org

Contract Documents 170-11912

Supplying 45 FT and 50 FT Class 2 Western Red Cedar Poles

for

Public Utility District No. 2
of Grant County, Washington

Bid Due Date: December 12, 2023

TABLE OF CONTENTS

INSTRUCTIONS TO BIDDERS..... 1

1. SUBMISSION OF BID 1

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

3. DISCREPANCIES OR OMISSIONS IN CONTRACT DOCUMENTS 2

4. DISTRICT'S RIGHT TO MODIFY CONTRACT DOCUMENTS 2

5. BIDDER'S WITHDRAWAL OR MODIFICATION OF BID 2

6. BID DELIVERY RESPONSIBILITY 2

7. BID EVALUATION..... 3

8. BIDDER'S DATA..... 3

9. BID BOND 3

10. WAIVE MINOR ERRORS 4

11. DISTRICT'S RIGHT TO REJECT BIDS 4

12. REFUSAL TO EXECUTE CONTRACT 4

13. PAYMENT AND PERFORMANCE BOND 4

14. PUBLIC RECORDS ACT 5

15. CONTRACT DOCUMENTS 5

16. BIDDER QUESTIONS OR CLARIFICATIONS 5

GENERAL CONDITIONS 6

GC-1. FORM OF CONTRACT 6

GC-2. DEFINITIONS..... 6

GC-3. SUSPENSION OF CONTRACT OTHER THAN FOR DEFAULT 7

GC-4. TERMINATION FOR DEFAULT/NONCOMPLIANCE 8

GC-5. ASSIGNMENT 9

GC-6. INDEMNITY 9

GC-7. LAWS, REGULATIONS, PERMITS 9

GC-8. DAMAGES..... 10

GC-9. WARRANTY 10

GC-10. CHANGES IN WORK 10

GC-11. PAYMENT 12

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

GC-13. CONFLICT AND PRECEDENCE/INTENT 13

GC-14. TAXES..... 13

GC-15. NON-WAIVER 14

GC-16. DISTRICT REPRESENTATIVE'S STATUS, AUTHORITY AND PROTEST PROCEDURE . 14

GC-17. ACTIVITIES ON DISTRICT PREMISES..... 15

GC-18. 2008 EARLY RETIREMENT FACTORS ACKNOWLEDGEMENT..... 15

SPECIFIC REQUIREMENTS 16

SR-1. SCOPE OF SUPPLY 16

SR-2. DELIVERY 16

SR-3. SHIPPING AND NOTIFICATION INSTRUCTIONS 17

SR-4. CODES AND STANDARDS..... 17

SR-5. PHYSICAL SECURITY 17

SR-6. SECURITY, SAFETY AWARENESS TRAINING, DAM SAFETY AWARENESS TRAINING,
AND TRANSMISSION AND DISTRIBUTION ACCESS TRAINING 18

TECHNICAL SPECIFICATIONS 20

EXHIBIT "A" - BID FORM..... 21

SUPPLEMENTAL BID FORM 24
EXHIBIT “B” - BID BOND..... 25
EXHIBIT “C” - CONTRACT FORM 26
EXHIBIT “D” - PAYMENT AND PERFORMANCE BOND 27
EXHIBIT “E” - CHANGE ORDER..... 29
EXHIBIT “F” – STOCK CATALOG PAGES..... 30
EXHIBIT "G" – DISTRICT INSTRUCTIONS 31

INSTRUCTIONS TO BIDDERS

1. SUBMISSION OF BID

Sealed Bids shall be received by Public Utility District No. 2 of Grant County, Washington at the District's contracting offices at 154 A Street SE, Ephrata, Washington no later than 2:00 p.m. on December 12, 2023 for Supplying 45 FT and 50 FT Class 2 Western Red Cedar Poles as specified in Contract Documents 170-11912. Bids received after that time shall be rejected as non-responsive. **Bids will be opened on December 13, 2023 at 2:00 p.m. via Microsoft Teams video conference. Note that all District facilities are currently closed to the public until further notice and the video conference will be the only manner by which the public can participate in the Bid opening. To participate in the Bid opening, please join the Teams meeting below:**

Microsoft Teams meeting

Join on your computer, mobile app or room device

[Click here to join the meeting](#)

Meeting ID: 260 044 834 428

Passcode: 9LHyKV

[Download Teams](#) | [Join on the web](#)

Or call in (audio only)

[+1 509-703-5291,,766004562#](#) United States, Spokane

Phone Conference ID: 766 004 562#

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

Emilie DeLong, Procurement Officer
Public Utility District No. 2
of Grant County, Washington
154 A Street SE
Ephrata, Washington 98823

Phone: (509) 754-5029
E-mail: Edelong@gcpud.org

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

Contract Documents: 170-11912
Bid for: Supplying 45 FT and 50 FT Class 2 Western Red Cedar Poles
Bid due date: December 12, 2023
Bid opening: December 13, 2023

Each Bid submitted shall constitute an offer to the District and shall be irrevocable for a period of 60 days following Bid opening. Contract Award, if any, shall be made within 60 days from the date of Bid opening.

2. COMPLIANCE WITH BID DOCUMENTS/BIDDER'S EXCEPTIONS

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

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

3. DISCREPANCIES OR OMISSIONS IN CONTRACT DOCUMENTS

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

4. DISTRICT'S RIGHT TO MODIFY CONTRACT DOCUMENTS

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

5. BIDDER'S WITHDRAWAL OR MODIFICATION OF BID

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

6. BID DELIVERY RESPONSIBILITY

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

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

7. BID EVALUATION

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

- A. Total Bid Price.
- B. Bidder's Data (See Instruction No. 8 which follows). NOTE: Any Bid which does not contain all Bidder's Data indicated in Section 8 as "required", if any, shall be rejected.
- C. All elements or factors which will affect the final cost to or benefits to be derived by the District which may include, but not be limited to:
 - 1. The ability, capacity, and experience of the Bidder to perform the Contract or provide the material/equipment required;
 - 2. Whether the Bidder can deliver the required material/equipment within the time specified; and
 - 3. The quality of the Bidder's performance on previous contracts.

8. BIDDER'S DATA

The Bidder shall submit the following information with their sealed Bid:

- A. The Bidder shall have had a minimum of three years' experience in the successful delivering, servicing and maintenance of the type of equipment/material specified by these Contract Documents prior to submission of its Bid. Bidder shall provide a representative user's list with addresses, phone contacts, and material delivery dates to document the experience requirement. The Bidder shall be a factory franchised new equipment/material dealer with full parts, service and warranty capacity.
- B. Company name of the manufacturer the Bidder is proposing in their Bid and location of the plant where the poles will be manufactured and treated.
- C. User list of contact names, addresses and phone numbers of at least two other electric utilities who have purchased and received poles within the last two years from the manufacturer specified in Section 8.B above.
- D. Bidder shall specify on the Bid Form the number of poles of Bid Item No. 1 that will make a full truckload.
- E. The Bidder shall submit a completed Supplemental Bid Form.

9. BID BOND

Each Bid shall be accompanied by a certified or cashier's check payable to the order of Public Utility District No. 2 of Grant County, Washington for a sum not less than 5% of the amount of the

Total Bid Price, or accompanied by a Bid Bond on the form provided as Exhibit "B", in an amount not less than 5% of the Total Bid Price with a corporate surety licensed to do business in the State of Washington, conditioned that the Bidder shall pay the District as liquidated damages the amount specified in the bond, unless Bidder enters into a Contract in accordance with their Bid and furnishes the Payment and Performance Bond hereinafter mentioned within 10 days from Contract Award. If a Bid is rejected, or if a Bid is accepted and a Contract Form executed, any check shall be returned in each instance within a period of 10 days to the Bidder furnishing the same. If the Bid is one of the three low Bids, such check or bond shall be held by the District until Contract Documents are fully executed by the District and successful Bidder and the Payment and Performance Bond provided per Section 13. If a Bid Bond was provided, 30 days following this period, the original Bid Bond shall be destroyed unless the Surety or Contractor requests the return of the bond, in writing, prior to destruction. The Bidder's failure to submit its Bid Bond on the form attached to the Contract Documents may result in rejection of the Bid.

10. WAIVE MINOR ERRORS

The District reserves the right to waive minor errors or irregularities in any Bid if it appears to the District that such errors or irregularities in any Bid were made through inadvertence and are not material. Any errors or irregularities so waived must be corrected on the Bid on which they occur prior to the execution of any Contract Form which may be awarded thereon. No Bidder may withdraw their Bid after the hour set for the opening thereof, unless and until Contract Award has been delayed for a period exceeding 60 days after the date of Bid opening.

11. DISTRICT'S RIGHT TO REJECT BIDS

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

12. REFUSAL TO EXECUTE CONTRACT

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

13. PAYMENT AND PERFORMANCE BOND

To assure compliance with the terms of the Contract, the Contractor shall furnish a Payment and Performance Bond in an amount equal to 25% of the amount of the Contract Price, excluding Washington State Sales Tax, with surety or sureties who are acceptable to the District. This Payment and Performance Bond shall remain in force for a period of 365 days after final payment. Thirty days following this expiration, the original Payment and Performance Bond shall be destroyed unless the Surety or Contractor requests the return of the bond, in writing, prior to destruction. The Payment and Performance Bond must be on the form provided with these Contract Documents as Exhibit "D". The cost of the Payment and Performance Bond shall be included in the Total Bid Price.

14. PUBLIC RECORDS ACT

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

15. CONTRACT DOCUMENTS

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

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

16. BIDDER QUESTIONS OR CLARIFICATIONS

Bidders are to submit questions or requests for clarification in writing to the District's Procurement Officer. If appropriate, response to Bidder's questions will be posted to the District's ProcureWare web site. The deadline to submit questions or request for clarification to the District shall be five days prior to the time and date that Bids are due.

GENERAL CONDITIONS

GC-1. FORM OF CONTRACT

The form of the Contract shall be unit price type.

GC-2. DEFINITIONS

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

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

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

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

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

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

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

“CONTRACT AWARD” - Contract Award is defined as the date the successful Bidder is first notified in writing that the District has accepted the Contractor's Bid. Contract Award, if any, shall be made within 60 days after the date of Bid opening.

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

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

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

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

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

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

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

“TOTAL BID PRICE” - The properly calculated total of the Bid Items on the Bid Form.

GC-3. SUSPENSION OF CONTRACT OTHER THAN FOR DEFAULT

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

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

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

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

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

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

GC-4. TERMINATION FOR DEFAULT/NONCOMPLIANCE

A. Acts of Default

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

B. Consequences of Default

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

C. Noncompliance

The Contractor shall, upon receipt of written notice of noncompliance with any provision of this Contract and the action to be taken, immediately correct the conditions to which attention has been directed. Such notice, when served on the Contractor or Contractor's representative, shall be deemed sufficient. If the Contractor fails or refuses to comply promptly, the District Representative may issue an order to suspend all or any part of the

work. When satisfactory corrective action is taken, an order to resume work shall be issued. No part of the time lost due to any such suspension order shall entitle the Contractor to any extension of time for the performance of the Contract or to reimbursement for excess costs or damages.

GC-5. ASSIGNMENT

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

GC-6. INDEMNITY

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

GC-7. LAWS, REGULATIONS, PERMITS

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

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

GC-8. DAMAGES

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

GC-9. WARRANTY

The Contractor agrees that all materials and equipment furnished pursuant to the Contract shall be free from all inherent defects in design, workmanship and material and shall give proper and continuous service under all conditions of service required and specified or which may be reasonably inferred from the Contract Documents. The Contractor shall immediately upon receiving notice from the District repair or replace any materials or equipment which, under normal and proper use, prove defective within one year from the date of delivery to the District. The warranty provided herein is in addition to and not in lieu of manufacturer's standard warranty normally provided.

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

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

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

GC-10. CHANGES IN WORK

Without invalidating the Contract, the District may make changes by altering, adding or deducting from the work, and/or make changes in the Contract Drawings and Technical Specifications requiring changes in the work and/or materials and equipment to be furnished under this Contract; provided such additions, deductions or changes are within the general scope of the Contract. Except as provided herein, no official, employee, agent or representative of the District is authorized to approve any change in this Contract and it shall be the responsibility of the Contractor before proceeding with any change, to satisfy itself that the execution of the written Change Order has been properly authorized on behalf of the District. The District's management has limited authority to approve Change Orders. The current level and limitations of such authority are set forth in District Resolution No. 8609 which may be amended from time to time. Otherwise, only the District's Board of Commissioners may approve changes to this Contract.

Charges or credits for the work covered by the approved changes shall be determined by one or more, or a combination of the following methods, at the District's option:

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

When a change is ordered by the District, as provided herein, a Change Order shall be executed by the District and the Contractor before any Change Order work is performed. The District shall not be liable for any payment to Contractor, or claims arising therefrom, for Change Order work which is not first authorized in writing as set forth in this section. All terms and conditions contained in the Contract Documents shall be applicable to Change Order work. Change Orders shall be issued on the form attached as Exhibit "E" and shall specify any change in time required for completion of the work caused by the Change Order and, to the extent applicable, the amount of any increase or decrease in the Contract Price.

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

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

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

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

GC-11. PAYMENT

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

Invoices shall include the Contract number 170-11912 and be addressed as follows:

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

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

GC-12. PAYMENTS WITHHELD

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

- A. Defective or damaged work not remedied or warranties not met.
- B. Claims filed or reasonable evidence indicating filing of claims against the Contractor.
- C. Failure of the Contractor to make payments properly to Subcontractors or for materials, labor, or equipment.
- D. A reasonable doubt that the Contract can be completed for the balance then unpaid.
- E. Damage to or loss of District-furnished materials or District property.
- F. Contractor's failure to meet any performance warranties required by the Contract Documents.

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

GC-13. CONFLICT AND PRECEDENCE/INTENT

- A. In the event there are any conflicting provisions or requirements in the component parts of the Contract, the several Contract Documents shall take precedence in the following order:
 - 1. Change Orders
 - 2. Contract Form
 - 3. Addenda
 - 4. Specific Requirements
 - 5. General Conditions
 - 6. Technical Specifications
 - 7. Stock Catalog Pages
 - 8. Instructions to Bidders
 - 9. Payment and Performance Bond
 - 10. Bid Proposal
- B. The intent of the Contract Documents is to prescribe a complete work. Contractor shall furnish all labor, tools, equipment, transportation, supplies and incidentals required to provide the materials or equipment to be supplied under this Contract. The Contract Price shall be full pay for all materials or equipment required to be provided under this Contract.

GC-14. TAXES

- A. Except for the Washington State retail sales and use taxes as may be levied upon the Contract, pursuant to RCW Chapters 82.08 and 82.12, the Contract Price includes and the Contractor shall have the full exclusive liability for the payment of all taxes, levies, duties and assessments of every nature due and payable in connection with this Contract or its employees and Subcontractors performing work related to this Contract.
- B. Washington State retail sales tax and use taxes levied upon this Contract pursuant to RCW Chapters 82.08 and 82.12 are excluded from the rates and if applicable will be reimbursed as follows:
 - 1. If the Contractor has, or is required to have a valid Washington State sales tax identification number, the identification number shall be furnished to the District upon request. The Contractor shall make payment of any Washington State retail sales and use taxes due and Contractor shall be reimbursed by the District for the same. Contractor shall be solely responsible for any interest or penalties arising from late or untimely payment of said taxes.

2. If the Contractor is not required to have a valid Washington State sales tax identification number, it shall notify the District of the same. In such event, the District, after receiving proper invoices from Contractor, shall make payment of said Washington State retail sales and use taxes levied upon this Contract to the Washington State Department of Revenue.

GC-15. NON-WAIVER

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

GC-16. DISTRICT REPRESENTATIVE'S STATUS, AUTHORITY AND PROTEST PROCEDURE

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

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

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

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

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

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

Kyle Robillard
Public Utility District No. 2
of Grant County, Washington
PO Box 878
Ephrata, WA 98823
(509) 754-5088 ext. 2203
Krobillard@gcpud.org

GC-17. ACTIVITIES ON DISTRICT PREMISES

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

- A. Take all precautions which are necessary to prevent injury to persons and damage to any property or the environment in connection with such activities;
- B. Release, defend, indemnify and hold harmless the District and its officers, agents, and employees from all claims, losses, harm, liabilities, damages, costs and expenses, including but not limited to reasonable attorney's fees that may arise in connection with such activities; and

Maintain in effect at all times during performance of such activities Commercial General Liability insurance (including blanket contractual) with limits not less than \$1,000,000 per occurrence; automobile liability for all vehicles used under the contract for bodily injury, and property damage with limits not less than \$1,000,000 per accident; statutory workers' compensation; and employer's liability with limits not less than \$1,000,000. Without limiting the generality of the foregoing, Contractor assumes potential liability for acts brought by Contractor's employees, Subcontractors, or suppliers of any tier.

GC-18. 2008 EARLY RETIREMENT FACTORS ACKNOWLEDGEMENT

By executing this Contract, Contractor acknowledges that they are in compliance with RCW 41.50.139 regarding the 2008 early retirement factors per WAC 415-02-325. Contractors found to be in non-compliance shall be responsible for all penalties incurred.

SPECIFIC REQUIREMENTS

SR-1. SCOPE OF SUPPLY

The Contractor shall supply 45 FT and 50 FT Class 2 Western Red Cedar Poles manufactured in accordance with these Contract Documents.

SR-2. DELIVERY

A. The Contractor shall not commence any work under this Contract until after all of the following: (1) receipt of notification of Contract Award; (2) full execution of the Contract Form; (3) providing the required Payment and Performance Bond; and (4) receipt of a District issued purchase order.

Delivery of the 45 FT and 50 FT Class 2 Western Red Cedar Poles shall be F.O.B. the District's Ephrata, Moses Lake, and/or Royal City Warehouse's. This shall mean that the Contractor will pay the cost of transportation to have the 45 FT and 50 FT Class 2 Western Red Cedar Poles delivered "free on board" to the following locations:

Ephrata Warehouse 154 A Street SE Ephrata, WA 98823	Moses Lake Warehouse 10216 Kinder Road Moses Lake, WA 98837	Royal City Warehouse 505 Royal Road Royal City, WA 99357
---	---	--

It also shall mean that the title and risk of loss do not pass until the 45 FT and 50 FT Class 2 Western Red Cedar Poles has been inspected and moved from the conveyance.

B. The District shall release purchase orders, as needed, to maintain internal stocking levels. The District is committing to purchase 1,000 units of Bid Item No. 1 and 150 units of Bid Item No. 2 by February 12th, 2027 however, the District shall have the unilateral right and option to purchase, and the Contractor shall be required to furnish and deliver, up to an additional 2,000 units of Bid Item No. 1 and 50 units of Bid Item No. 2. Such purchase shall be subject to the terms and conditions contained in these Contract Documents. The District may exercise its option to make such purchase(s) at any time prior to January 12th, 2027 by issuance of additional written purchase order(s). Each purchase order shall specify the number of units to be purchased, the F.O.B. delivery location, and the required delivery date. In no event shall the delivery of western red cedar distribution poles purchased in accordance with this section exceed six weeks from the purchase order date.

C. Contractor understands and agrees that the District is only making a commitment to purchase 1,000 units of Bid Item No. 1 and 150 units of Bid Item No. 2, but that the District shall have the unilateral right and option to purchase up to an additional 2,000 units of Bid Item No. 1 and 50 units of Bid Item No. 2 but shall have no obligation of any type to make such additional purchase.

D. The District has the right and option to have deliveries made to other locations (site deliveries) within Grant County, Washington by issuance of a District Instructions, Exhibit "G" from the District Representative along with the corresponding purchase order. Pricing for site deliveries shall be submitted by the Bidder using the Supplemental Bid Form.

SR-3. SHIPPING AND NOTIFICATION INSTRUCTIONS

All materials and equipment shall be suitably packed to ensure against damage from weather or transportation and in accordance with the requirements of common carriers. The delivery address and Contract number shall be clearly marked on the outside of all packaging. Each shipment must be accompanied by a packing list, which shall reference the Contract number, the purchase order number and include item descriptions, part numbers, and quantities. Any bills of lading, shipping order or the like shall also contain the above listed information.

Advance notification of shipment of the equipment/material is required. Contractor shall notify the appropriate District's Warehouse Foreman, and the District's Representative (listed below), 48 hours prior to delivery of shipment. Failure by the Contractor to provide the advance notification specified herein may result in delays in unloading and receipt. The costs of all such delays shall be charged to the Contractor's account.

Name	Phone Number	E-Mail
Gus Mihelich, Ephrata Warehouse Foreman	(509) 754-5088 Ext. 2268	amihelich@gcpud.org
Gary Carpenter, Moses Lake/Royal City Foreman	(509) 754-5088 Ext. 3213	Gcarpen@gcpud.org
Kyle Robillard, District Representative	(509) 754-5088 Ext. 2203	Krobillard@gcpud.org

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

SR-4. CODES AND STANDARDS

Design and manufacture of the specified western red cedar distribution poles shall be in accordance with the applicable sections of the latest revision of the codes and standards denoted in 170-11912 Technical Specifications.

SR-5. 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 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>.

The District reserves the right to conduct or to require Contractor to conduct criminal background checks on its employee(s) before granting such individuals access to restricted areas of District facilities 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. The cost of such background checks shall be borne by the Contractor.

Contractor's personnel accepting clearances, superintendents and foreman will be required to attend a safe clearance procedure training class and Contractor's orientation class prior to starting field work. Classes may last up to two hours.

SR-6. 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.

TECHNICAL SPECIFICATIONS

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

EXHIBIT “A” - BID FORM

COMPANY NAME OF BIDDER: _____
 (Full Legal Name)

MANUFACTURER: _____

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

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

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

The Total Bid Price (calculated total of Bid Item Prices 1 and 2) shall be used in the Bid Evaluation. A price must be placed on each blank or the Bid shall not be considered. In case of an error in addition, the correctly calculated total of the Bid Item Prices (Estimated Quantity times Bid Unit Price) shall prevail.

Bid Item No.	Description	Unit Type	Estimated Quantity	Bid Unit Price	Bid Item Price
1	Stock No. 48452818 Forty-five foot (45') ANSI Class 2 Western Red Cedar Poles in accordance with the Technical Specifications.	Each	3,000	\$	\$
2	Stock No. 48502818 Fifty foot (50') ANSI Class 2 Western Red Cedar Poles in accordance with the Technical Specifications.	Each	200	\$	\$
TOTAL BID PRICE					\$

Prices are F.O.B. the location specified in the Contract Documents. Prices quoted include the cost of the Payment and Performance Bond required by Contract Documents but do not include Washington State and Local Taxes.

The above quantities are estimated quantities. Payment shall be made by Bid Item based on the actual quantity of the Bid Items completed satisfactorily, up to the amount of the Contract Price. **The undersigned acknowledges and understands the District is committing to purchase 1,000 units of Bid Item No. 1 and 150 units of Bid Item No. 2 and may terminate this Contract after that point without incurring any additional cost (see Section SR-2).** Yes ___ No ___

Prompt Payment Discount of 2% 10 days (see Section GC-2). Bidder understands and accepts the Prompt Payment Discount. Yes _____ No _____

Bidder has enclosed a Cashier's Check, Certified Check or Bid Bond in accordance with Instructions to Bidders Section 9. Yes ___ No ___

Bidder shall deliver all materials/equipment in accordance with Section SR-2. Yes ___ No ___

Truckload quantity – number of poles of Bid Item No. 1 that will make a truckload in accordance with Instructions to Bidders Section 8.D. _____

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

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

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

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

Signature: _____ Title: _____

Name (Print): _____ Date: _____
 Authorized Representative

Location or Place Executed (City and State): _____

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

SUPPLEMENTAL BID FORM

<i>Item</i>	<i>Lump Sum per truck load</i>
Lump sum price per truckload (in addition to the Bid Unit Price) for site deliveries of Bid Item No. 1 to locations in Grant County, Washington other than the District's Ephrata, Moses Lake or Royal City Warehouses (see Section SR-2.D).	\$

EXHIBIT "B" - BID BOND

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

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

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

PRINCIPAL

SURETY

Signature

Signature

Print Name

Print Name

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

EXHIBIT “C” - CONTRACT FORM

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

WITNESSETH:

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

1. SCOPE OF WORK - The Contractor agrees to furnish in the manner and form provided by the Contract Documents 170-11912 made a part hereof, entitled Supplying 45 FT and 50 FT Class 2 Western Red Cedar Poles.
2. DELIVERY - The Contractor shall deliver the equipment/materials, F.O.B. the District's Ephrata, Moses Lake, and/or Royal City Warehouse's. The Contractor shall deliver the equipment/materials on or before the dates specified in these Contract Documents; failure to do so may result in damage to the District.
3. PAYMENT - The District agrees to pay the Contractor for the equipment/materials to be provided the not to exceed sum of \$ _____, subject to the Prompt Payment Discount provision (see Section GC-2), plus applicable Washington State Sales Tax in accordance with the Contract Documents.
4. PAYMENT AND PERFORMANCE BOND - The Contractor shall furnish in favor of the District, a Payment and Performance Bond as required by the Contract Documents, and this Contract shall not obligate the District until such Payment and Performance Bond has been tendered.

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

Public Utility District No. 2
of Grant County, Washington

Full Legal Name of Contractor

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT "D" - PAYMENT AND PERFORMANCE BOND

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

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

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

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

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

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

Dated this _____ day of _____, 20__.

"PRINCIPAL"

Full legal company name

Signature

Print name

"SURETY"

Full legal company name

Signature

Print name

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

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

EXHIBIT "E" - CHANGE ORDER

NO. __

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

- A. Description of Change:

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

- C. Contract Price Adjustment: As a result of this Change Order, the not to exceed Contract Price shall remain unchanged (be increased/decreased by the sum of \$_____ plus sales tax). This Change Order shall not provide any basis for any other payments to or claims by the Contractor as a result of or arising out of the performance of the work described herein. The new total revised maximum Contract Price is \$_____, including changes incorporated by this Change Order.

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

Public Utility District No. 2
of Grant County, Washington

Full Legal Name of Contractor

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

EXHIBIT “F” – STOCK CATALOG PAGES

The Stock Catalog Pages will be posted as a separate document on the District's ProcureWare website.

EXHIBIT "G" – DISTRICT INSTRUCTIONS

No. _____

Contract No.:	170-11912	Drawing No. (if applicable):	
Project Name:			

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

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

INSTRUCTION:

Sample Only

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

RECEIPT ACKNOWLEDGED AND INSTRUCTION ACCEPTED:

Public Utility District No. 2
of Grant County, Washington

Full Legal Name of Contractor

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

COMMERCIAL EVALUATION

Contract No.:	170-11912	Contract Title:	Supplying 45 FT and 50 FT Class 2 Western Red Cedar Poles
----------------------	-----------	------------------------	---

Bid Opening Date		12/13/2023	
Total No. of Bidders:		1	
Was prequalification required for bidding?		No	
No. of potential Bidders who obtained the Bid documents:		17	
Was this Bid advertised in the newspaper?	Yes	If yes, where?	Columbia Basin Journal
Addenda issued?	No	If yes, how many	

Additional Information

--

Cost Estimate:	\$5,990,000.00
-----------------------	-----------------------

Bidders

Name of Bidder:	Stella-Jones		
Total Bid Price:	\$4,905,440.00	Bid Security:	Bid Bond
Signature Certification:	NA	Delivery / Completion:	As required
Addendum Received:	No	Bidder's Data Provided:	Yes
Commercially Compliant?	Yes	Technically Compliant?	Yes

Additional Information:

--

Name of Bidder:			
Total Bid Price:	\$	Bid Security:	Choose an item.
Signature Certification:	NA	Delivery / Completion:	Choose an item.
Addendum Received:	Choose an item.	Bidder's Data Provided:	Choose an item.
Commercially Compliant?	Choose an item.	Technically Compliant?	Choose an item.

Additional Information:

--

Name of Bidder:			
Total Bid Price:	\$	Bid Security:	Choose an item.
Signature Certification:	NA	Delivery / Completion:	Choose an item.
Addendum Received:	Choose an item.	Bidder's Data Provided:	Choose an item.
Commercially Compliant?	Choose an item.	Technically Compliant?	Choose an item.

Additional Information:

Name of Bidder:			
Total Bid Price:	\$	Bid Security:	Choose an item.
Signature Certification:	NA	Delivery / Completion:	Choose an item.
Addendum Received:	Choose an item.	Bidder's Data Provided:	Choose an item.
Commercially Compliant?	Choose an item.	Technically Compliant?	Choose an item.

Additional Information:

Motion was made by _____ and seconded by _____ authorizing the General Manager/CEO to execute Change Order No. 3 to Contract 430-10199 with Associated Underwater Services, Inc., increasing the not-to-exceed contract amount by \$200,000.00 for a new contract total of \$1,119,462.50 and resetting the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for charges incurred as a result of Change Order No. 3.

MEMORANDUM

Date 1/11/2024

TO: Rich Wallen, General Manager/Chief Executive Officer

VIA: Jeff Grizzel, Chief Operating Officer
Ben Pearson, Senior Manager Hydro Generation
Shane Lee, Wanapum Plant Manager

FROM: Whitney Field, Hydro Scheduler

SUBJECT: Contract 430-10199, Change Order No. 3

Purpose: To request Commission approval of Change Order No. 3 to Contract 430-10199 to add \$200,000 to get through the end of the contract.

Discussion:

- The original contract was awarded on 5/22/2020 and extended on 1/18/2023. The contract is for dive services with Associated Underwater Services (AUS) whom the District has used since 2015 on 2 separate contracts. Additional funds are needed to get through the existing contract that ends 5/31/2025. These additional funds were estimated based on known work & possible upcoming work across multiple departments.
- Dive services are needed for multiple areas in the District- Dam safety, environmental and general preventative & corrective maintenance; to not have enough money to cover the contract would put the District at risk.

Justification:

- Adding more money to the current contract will avoid running out and a possible delay in emergency repairs in the future. Hydro Generation, Engineering, and Environmental Affairs need to have confidence their dive needs will be met.
- Approval is needed to cover upcoming preventive & corrective maintenance, Dam Safety (FERC) requirements, and Environmental Affairs requests.
- There is \$88k left on the contract which expires in 18 months. The average for the last 3 years has been \$244k/year

Financial Considerations:

- Previous preventative maintenance work, emergency repairs, and estimates on tentative EA dive work (minus remainder in the contract) added up to the current request for \$200,000 more to be added to the contract.

Change Order History: See attached change order table.

Legal Review: See attached email.

Whitney Field

From: Benjamin Pearson
Sent: Thursday, January 25, 2024 13:05
To: Whitney Field
Subject: RE: Change Order 3, 430-10199

Approved, Thanks Whitt!

R/
Ben

From: Whitney Field <Wfield@gcpud.org>
Sent: Thursday, January 25, 2024 11:06 AM
To: Benjamin Pearson <Bpearso@gcpud.org>
Subject: FW: Change Order 3, 430-10199
Importance: High

Morning Ben,

Could you please sign this & send back?

Thanks!

From: Randi Hovland <Rhovla1@gcpud.org>
Sent: Thursday, January 25, 2024 11:04
To: Whitney Field <Wfield@gcpud.org>
Subject: RE: Change Order 3, 430-10199

Hi Whitney!

Sorry for the delayed response. I hope I didn't hope you up too long!

The only signature you need on this memo is Ben's. A senior manager is the highest level of signature required. Executive leadership signatures are not required as they have their review process separately. You could get Shane's if you would like but it's not required.

Usually for Power Production, I see memos come through with a digital signature. However, just an email attached to the memo granting approval to submit to the Commission packet is just as good as a wet or digital signature. What ever is easiest for you is great.

If you have additional questions, please let me know.

Thank you and have a wonderful day!
Randi

From: Whitney Field <Wfield@gcpud.org>
Sent: Wednesday, January 24, 2024 3:19 PM

CHANGE ORDER
NO. 3

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

- A. Description of Change: Increase the Contract Price.
- B. Time of Completion: The completion date shall remain May 31, 2025.
- C. Contract Price Adjustment: As a result of this Change Order, the not to exceed Contract Price shall be increased by the sum of \$200,000.00 plus applicable sales tax. This Change Order shall not provide any basis for any other payments to or claims by the Contractor as a result of or arising out of the performance of the work described herein. The new total revised maximum Contract Price is \$1,119,462.50, 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

Associated Underwater Services, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____



Change Order Table

Contract Title: General Dive Services

Contract No.	430-10199	Award Date:	5/22/2020
Project Manager:	Whitney Field	Original Contract Amount:	\$699,462.50
District Representative (If Different):		Original Contract completion:	6/1/2022
Contractor:	Associated Underwater Serv	Total CO Cost Change Amt	\$420,000.00

CO#	Change Description	Approved by	Executed Date	Revised Completion Date	Cost Change Amount	Revised Contract Amount	Authority Level Tracking
1	Increase Contract price, extend Contract completion date, revise sections GC-12, SR-15-P, and add new section SR-25 Subcontracts to allow Contractor to procure materials and to subcontract specific work with prior DR approval.	Dept Mgr	09/10/20	05/31/23	\$20,000.00	\$719,462.50	\$20,000.00
2	Increase Contract Price, Extend Contract Completion Date, and Adding 2023-2025 Hourly Rates	Managing Director	01/18/23	05/31/25	\$200,000.00	\$919,462.50	\$220,000.00
3	Increase Contract Price	Comm		05/31/25	\$200,000.00	\$1,119,462.50	\$420,000.00
Total Change Order Cost Change Amount					420,000.00		

Motion was made by _____ and seconded by _____ authorizing transfer of any proceeds from Cap and Investment Auction of Climate Commitment Act (CCA) Credits received be recorded in the R&C fund, until clear governance and procedures have been developed to manage funds.

MEMORANDUM

January 22, 2024

TO: Bonnie Overfield, Chief Financial Officer/Treasurer

VIA: Jennifer Sager, Senior Manager of Accounting/Controller *Jennifer Sager*
Angelina Johnson, Senior Manager of Treasury & FP/Deputy Treasurer *Angelina Johnson*

FROM: Amy Thompson, Senior Financial Analyst *Amy Thompson*

SUBJECT: Proceeds from Cap and Investment Auction of Climate Commitment Act (CCA) Credits

Purpose: Request approval from the Commission to transfer proceeds received from the Cap and Investment Auction of CCA Credits from the Electric System Revenue Fund to the Reserve and Contingency (R&C) Fund until such a time that clear guidance and governance are determined for usage. The auction is administrated through the Washington State Department of Ecology and was held on December 6, 2023. Any future proceeds received from CCA Auctions would be recorded in the R&C Fund.

Discussion: The R&C Fund was established by Resolution 4112 in 1982. The resolution directs the Treasurer/Controller to establish and maintain the R&C Fund, payments from the R&C Fund to be authorized by the Commission, and for parameters surrounding deposits to be established annually in the District's budget. The R&C Fund is a restricted fund and offers a controlled location to track the auction proceeds of the District's CCA credits until such a time that clear controls and procedures can be developed on the treatment and tracking of these monies.

Justification: Due to the limited known governance around how the auction proceeds can be used, isolating them in the R&C Fund allows Treasury and Accounting to track, manage, and control the funds.

Financial Justification: The District received \$51.89M in auction proceeds on December 28, 2023. The CCA auction took place December 6, 2023, with the results being posted December 13, 2023.

Recommendation: To seek authorization from the Commission to transfer proceeds from Cap and Investment Auction of Climate Commitment Act (CCA) Credits received from the Electric System Revenue Fund to the R&C fund, until clear governance and procedures have been developed to manage the funds. Any future proceeds received from CCA Auctions would be deposited into the R&C Fund.

Legal Review: Please see attached email.

Amy Thompson

From: Angelina Johnson
Sent: Monday, January 22, 2024 10:36 AM
To: Amy Thompson
Subject: FW: R&C Fund Memos

From: Mitchell Delabarre <Mdelaba@gcpud.org>
Sent: Thursday, November 16, 2023 9:55 AM
To: Angelina Johnson <Ajohnso@gcpud.org>
Cc: Bonnie Overfield <Boverfi@gcpud.org>
Subject: RE: R&C Fund Memos

Hi Angelina,
These memos are approved for Commission consideration.
Mitch

Mitchell P. Delabarre
General Counsel/Chief Legal Officer
Grant PUD
mdelaba@gcpud.org
509 793-1565

The information contained in this e-mail message is privileged, confidential and protected from disclosure. If you are not the intended recipient, dissemination, distribution or copying of the information contained herein is strictly prohibited. If you think you have received this e-mail message in error, please reply to mdelaba@gcpud.org or call (509) 793-1565.

From: Angelina Johnson <Ajohnso@gcpud.org>
Sent: Thursday, November 16, 2023 9:02 AM
To: Mitchell Delabarre <Mdelaba@gcpud.org>
Cc: Bonnie Overfield <Boverfi@gcpud.org>
Subject: R&C Fund Memos

Good morning Mitch,

Apologize for getting these to you so late, they need your review so they can go in the Commission packet today.

Let me know if you have any questions.

Thank you,

Ang

Angelina Johnson

Senior Manager of Treasury/Financial Planning

Cell 509.361.9947

Office 509.754.0500

Ext. 2407

Email: ajohnso@gcpud.org

For Commission Review – 02/27/2024

RESOLUTION NO. XXXX

A RESOLUTION ACCEPTING A BID AND AWARDING CONTRACT 130-12121, FOR DISTRIBUTION LINE TREE TRIMMING AND REMOVAL SERVICES TO DECEMBER 31, 2024

Recitals

1. Bids were publicly opened on January 25, 2024 for Contract 130-12121, for Distribution Line Tree Trimming and Removal Services to December 31, 2024;
2. Bid proposals were received from the following suppliers/contractors and evaluated by Grant PUD’s staff;
 - Basin Tree Service and Pest Control, Inc. \$2,069,688.45
3. The low bid, submitted by Basin Tree Service and Pest Control, Inc. is both commercially and technically compliant with Grant PUD’s contract requirements;
4. The bid is less than the Engineer’s Estimate of \$1,800,000.00 plus 15%; and
5. Grant PUD’s Senior Manager of Power Delivery Construction Maintenance and Chief Operating Officer concur with staff and recommend award to Basin Tree Service and Pest Control, Inc. as the lowest responsible and best bid based on Grant PUD’s plan and specifications.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington, that the General Manager is authorized to enter into a contract, Contract 130-12121, for Distribution Line Tree Trimming and Removal Services to December 31, 2024 with Basin Tree Service and Pest Control, Inc. of Ephrata, Washington in the amount of \$2,069,688.45 plus applicable sales tax, upon receipt of the required payment and performance bond in a manner satisfactory to Grant PUD’s Counsel.

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

President

ATTEST:

Secretary

Vice President

Commissioner

Commissioner

MEMORANDUM

February 5, 2024

TO: Rich Wallen, General Manager/Chief Executive Officer

VIA: Jeff Grizzel, Chief Operating Officer *Jeff Grizzel*
Ron Alexander, Managing Director of Power Delivery *RA*
Chris Heimbigner, Senior Manager of Construction and Maintenance *Chris Heimbigner*

FROM: William Coe, Construction and Maintenance Engineer *WCo*

SUBJECT: Approval of Contract 130-12121

Purpose: To request Commission approval of Contract 130-12121.

This contract is a labor contract awarded to Basin Tree Service & Pest Control Inc. for tree trimming labor on the District's electric and fiber distribution systems. This is a one-year, \$2,069,688.45, contract expiring December 31, 2024.

Discussion: The District has relied upon contract tree trimming crews for many years. This contract allows for one "pass" throughout the entire distribution /fiber system (entire county).

The District has contracted tree trimming services for many years because it lacks the personnel, equipment, and expertise to perform this function with District personnel. The labor required to perform a distribution tree trimming cycle within one year is equivalent to approximately 5 2-person trimming crews. The District is continuing future plans to conduct some tree trimming activities with internal crews and equipment.

Justification: The procurement of distribution tree trimming crews allows for timely and efficient maintenance of the District's electrical and fiber infrastructure. The previous distribution trimming contract was originally bid for 2022, but the bidder severely underestimated the work involved and thus completed the 2022 cycle just last month, January 2024. Timely approval of this contract will allow crews to immediately address trees that have not been addressed since early 2022 (previous contract), thus potentially mitigating safety and reliability issues.

Financial Considerations: This is currently the only viable option to address the distribution tree trimming needs of the District. The District conducted a competitive bid process and received only one bid; submitted by Basin Tree Service & Pest Control Inc. in the amount of \$2,069,688.45.

Contract Specifics: This contract will allow contract crews to perform one "pass" throughout the entire distribution /fiber system (entire county).

Recommendation: Commission approval to award Contract 130-12121 to Basin Tree Service & Pest Control Inc. for a not-to-exceed total cost of \$2,069,688.45.

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

Contract Documents 130-12121

Distribution Line Tree Trimming and Removal Services to December 31, 2024

for

Public Utility District No. 2
of Grant County, Washington

Bid Due Date: January 10, 2024
Bid Opening Date: January 11, 2024

TABLE OF CONTENTS

INSTRUCTIONS TO BIDDERS..... 1

1. SUBMISSION OF BID 1

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

3. DISCREPANCIES OR OMISSIONS IN CONTRACT DOCUMENTS 2

4. DISTRICT'S RIGHT TO MODIFY CONTRACT DOCUMENTS 2

5. BIDDER'S WITHDRAWAL OR MODIFICATION OF BID 2

6. BID DELIVERY RESPONSIBILITY 2

7. BID EVALUATION..... 3

8. BIDDER'S DATA/SUBMITTALS 3

9. BIDDER RESPONSIBILITY CRITERIA 5

10. BID BOND 5

11. REFUSAL TO EXECUTE CONTRACT..... 6

12. PAYMENT AND PERFORMANCE BOND 6

13. WAIVE MINOR ERRORS 6

14. DISTRICT'S RIGHT TO REJECT BIDS 6

15. PUBLIC RECORDS ACT 6

16. EXAMINATION OF SITE..... 6

17. CONTRACT DOCUMENTS 7

18. BIDDER QUESTIONS OR CLARIFICATIONS 7

GENERAL CONDITIONS 8

GC-1. FORM OF CONTRACT..... 8

GC-2. DEFINITIONS..... 8

GC-3. SUSPENSION OF WORK/TERMINATION OTHER THAN FOR DEFAULT 9

GC-4. TERMINATION FOR DEFAULT/NONCOMPLIANCE 10

GC-5. ASSIGNMENT 11

GC-6. INDEMNITY 11

GC-7. LAWS, REGULATIONS, PERMITS 12

GC-8. DAMAGES..... 12

GC-9. INDEPENDENT CONTRACTOR, SUPERINTENDENT, AND EMPLOYEES..... 13

GC-10. CORRECTION OF WORK/WARRANTY..... 13

GC-11. CHANGES IN WORK 14

GC-12. PAYMENT/RETAINAGE 16

GC-13. PAYMENTS WITHHELD..... 16

GC-14. ACCEPTANCE AND FINAL PAYMENT..... 17

GC-15. DISTRICT REPRESENTATIVE'S STATUS, AUTHORITY AND PROTEST PROCEDURE . 18

GC-16. COOPERATION WITH OTHERS 19

GC-17. WAGES PAID BY THE CONTRACTOR..... 19

GC-18. INSURANCE..... 19

GC-19. SAFETY 22

GC-20. INSPECTION 23

GC-21. CONFLICT AND PRECEDENCE/INTENT 23

GC-22. PRE-WORK CONFERENCE 23

GC-23. PROGRESS MEETINGS 24

GC-24. DELAYS AND EXTENSIONS OF TIME..... 24

GC-25. AUDIT OF RECORDS..... 25

GC-26. DISTRICT'S USE OF CONSTRUCTION AND/OR EQUIPMENT 25

GC-27. ENVIRONMENTAL CONTROL 25

GC-28. TAXES..... 26

GC-29. BOND IN LIEU OF RETAINAGE..... 26

GC-30. NON-WAIVER 27

GC-31. 2008 EARLY RETIREMENT FACTORS ACKNOWLEDGEMENT..... 27

SPECIFIC REQUIREMENTS 28

SR-1. SCOPE OF WORK/WORK TO BE PERFORMED BY THE CONTRACTOR..... 28

SR-2. COMPLETION SCHEDULE..... 28

SR-3. MATERIALS AND EQUIPMENT 28

SR-4. MOBILIZATION 28

SR-5. NOISE CONTROL..... 29

SR-6. CONTRACTOR WORK HOURS 29

SR-7. CUSTOMER RELATIONS..... 29

SR-8. DUST AND SPRAY CONTROL..... 30

SR-9. UTILITIES..... 30

SR-10. CLEANING UP 30

SR-11. ARCHAEOLOGICAL RESOURCES..... 30

SR-12. PHYSICAL SECURITY..... 31

SR-13. SECURITY, SAFETY AWARENESS TRAINING, DAM SAFETY AWARENESS TRAINING,
AND TRANSMISSION AND DISTRIBUTION ACCESS TRAINING 31

CONTRACTOR SAFETY REQUIREMENTS 33

CS-1. PURPOSE..... 33

CS-2. GENERAL..... 33

CS-3. SPECIALIZED WORK..... 35

TECHNICAL SPECIFICATIONS 37

EXHIBIT “A” – BID FORM 38

EXHIBIT “B” – BID BOND 43

EXHIBIT “C” – CONTRACT FORM..... 44

EXHIBIT “D” – PAYMENT AND PERFORMANCE BOND..... 45

EXHIBIT "E" – CHANGE ORDER 47

EXHIBIT "F" – DISTRICT INSTRUCTIONS..... 48

EXHIBIT “G” – CONTRACTOR CHANGE ORDER PROPOSAL 49

EXHIBIT “H” – CERTIFICATE OF COMPLETION AND RELEASE 50

EXHIBIT “I” – COLLECTIVE BARGAINING AGREEMENT, SECTION 2.5..... 52

EXHIBIT “J” – BOND IN LIEU OF RETAINAGE 53

EXHIBIT “K” – NOTICE TO PROCEED 55

EXHIBIT “L” – MAP 56

EXHIBIT “M” – POLE LOCATION DETAILS..... 57

EXHIBIT “O” – CONTRACTOR SAFETY REQUEST FOR INFORMATION..... 58

INSTRUCTIONS TO BIDDERS

1. SUBMISSION OF BID

Sealed Bids shall be received by Public Utility District No. 2 of Grant County, Washington at the District's contracting offices at 154 A Street SE, Ephrata, Washington no later than 2:00 p.m. on January 10, 2024 for Distribution Line Tree Trimming and Removal Services to December 31, 2024 as specified in Contract Documents 130-12121. Bids received after that time shall be rejected as non-responsive. **Bid opening shall take place via Microsoft Teams video conference on January 11, 2024 at 2:30 p.m.. The video conference will be the only manner by which the public can participate in the Bid opening. To participate in the Bid opening, please join the Teams meeting below:**

Microsoft Teams meeting

Join on your computer, mobile app or room device

[Click here to join the meeting](#)

Meeting ID: 229 325 844 771

Passcode: 3n8TBJ

[Download Teams](#) | [Join on the web](#)

Or call in (audio only)

[+1 509-703-5291,,572219937#](#) United States, Spokane

Phone Conference ID: 572 219 937#

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

Lindsey McDonnell, Procurement Officer
Public Utility District No. 2
of Grant County, Washington
154 A Street SE
Ephrata, Washington 98823

Phone: (509) 906-0927

E-mail: lmcdonnell@gcpud.org

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

Contract Documents: 130-12121

Bid for: Distribution Line Tree Trimming and Removal Services to December 31, 2024

Bid due: January 10, 2024 2:00 p.m. PST

Bid opening: January 11, 2024 2:30 p.m. PST

Each Bid submitted shall constitute an offer to the District and shall be irrevocable for a period of 60 days following Bid opening. Contract Award, if any, shall be made within 60 days from the date of Bid opening.

2. COMPLIANCE WITH BIDDING DOCUMENTS/BIDDER'S EXCEPTIONS

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

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

3. DISCREPANCIES OR OMISSIONS IN CONTRACT DOCUMENTS

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

4. DISTRICT'S RIGHT TO MODIFY CONTRACT DOCUMENTS

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

5. BIDDER'S WITHDRAWAL OR MODIFICATION OF BID

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

6. BID DELIVERY RESPONSIBILITY

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

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

7. BID EVALUATION

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

- A. Total Bid Price.
- B. Bidder's Data (See Instruction No. 8 which follows). **NOTE: Any sealed Bid which does not contain all Bidder's Data indicated in Section 8 as "required" shall be rejected.**
- C. Bidder's compliance with the Contractor Safety Requirements specified in these Contract Documents. **Bids that take exception to these requirements shall be rejected.**
- D. All elements or factors which shall affect the final cost to or benefits to be derived by the District, which may include, but not be limited to:
 - 1. The ability, capacity, and skill of the Bidder to perform the Contract or provide the services required;
 - 2. The character, integrity, reputation, judgment, experience, and efficiency of the Bidder;
 - 3. Whether the Bidder can perform the Contract within the time specified;
 - 4. The quality of performance of previous contracts or services; and
 - 5. The previous and existing compliance by the Bidder with laws relating to the Contract or services.
 - 6. Whether, within the three year period immediately preceding the date of this Bid solicitation, the Bidder has been determined by a final and binding citation and notice of assessment issued by the Department of Labor and Industries or through a civil judgment entered by a court of limited or general jurisdiction to have willfully violated, as defined in RCW 49.48.082, any provision of chapter 49.46, 49.48, or 49.52 RCW.

8. BIDDER'S DATA/SUBMITTALS

The Bidder shall submit the following information with their sealed Bid:

- A. **REQUIRED or Bid shall be rejected.** Bidder shall submit on the Bid Form the names of Subcontractors who shall perform the HVAC (heating, ventilation, and air conditioning), plumbing and electrical work, and structural steel and rebar installation, or name itself.
- B. Bidder shall submit on the Bid Form the names of any other Subcontractors proposed to perform work under this Contract. Bidder shall attach experience and qualifications of Subcontractors with Bid Form.

The Contractor may subcontract or sublet only such part or parts of the work covered by the Contract Documents as the District may approve. In no event shall Contractor subcontract more than 25% of the work. Subcontractors solely for the convenience or profit of the Contractor may not be approved if, as determined by the District, they would have an adverse effect upon the job. The District shall be the sole judge of such effect. The District reserves the right to refuse any person or organization (Subcontractor) to participate in the work covered by this Contract Document. Contractor shall bind every Subcontractor to, and every Subcontractor must agree to be bound by the terms of the Contract Documents, as far as applicable to the Subcontractor's work. No subcontract shall relieve the Contractor of their responsibilities and the Contractor agrees that they are fully responsible to the District for the acts and omissions of their Subcontractors and of persons employed either directly or indirectly by them. Upon request, the Contractor shall supply the District Representative with two copies of all subcontracts. Nothing contained in the Contract shall create any contractual relationship between any Subcontractor and the District.

- C. Statement of experience. Each Bidder shall submit a detailed description of the Bidder's previous experience in tree trimming and removal. The Bidder shall include sufficient facts regarding their technical and business organization to enable the District to make an informed decision relating to the qualification of the Bidder to perform the specific work called for in this Contract Document. The Bidder shall have a minimum of five years' experience in successful completion of work similar to that which is set forth in these Contract Documents. Additional experience requirements may be included in the Technical Specifications or elsewhere in these Contract Documents for specific portions of the work. Contractor shall ensure compliance with all such requirements. If any proposed Subcontractors shall be used to meet the Contractor's experience requirements specified in this section, the Subcontractor's experience shall be provided.
- D. Bidder shall submit a list of major equipment proposed by Bidder for use in the installation work. List shall include year of manufacturer of bucket/boom truck. See Technical Specifications for limitations on age of equipment.
- E. The Bidder shall be certified under OSHA Regulation 1910.269 (r) (s) and (t) for Line Clearance Tree Trimming.
- F. Bidder shall submit with their Bid, a sample of previous work documenting work activity at specific locations using global positioning system (GPS) coordinates.
- G. Bidder shall submit with their Bid the names and experience of the leadworker/supervisory personnel proposed to perform work under this Contract. Documentation shall confirm that each proposed leadworker/supervisor overseeing labor crews under this Contract has passed a journey status examination or provide a resume documenting experience and training equivalent to a journey level worker.
- H. Bidder shall provide safety record information for the past three years, consistent with the Contractor Safety Request for Information Form, attached hereto as Exhibit "O".

9. BIDDER RESPONSIBILITY CRITERIA

Before Contract Award, a Bidder must meet the following responsibility criteria to be considered a responsible Bidder and qualified to be awarded a public works project in accordance with RCW 39.04.350:

- A. At the time of Bid submittal, the Bidder must have a certificate of registration in compliance with RCW 18.27
- B. Have a current Washington State Unified Business Identifier (UBI) number;
- C. If applicable, have Industrial Insurance (worker's compensation) coverage for the Bidder's employees working in Washington State as required in Title 51 RCW;
- D. If applicable, have an Employment Security Department number as required in Title 50 RCW;
- E. If applicable, have a Washington State Department of Revenue state excise tax registration number as required in Title 82 RCW; and
- F. Not be disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065(3).
- G. Within the three year period immediately preceding the date of this Bid solicitation, not have been determined by a final and binding citation and notice of assessment issued by the Department of Labor and Industries or through a civil judgment entered by a court of limited or general jurisdiction to have willfully violated, as defined in RCW 49.48.082, any provision of chapter 49.46, 49.48, or 49.52 RCW.
- H. Have attended training from the department of labor and industries or a training program approved by the department of labor and industries relating to the requirements associated with public works and prevailing wage under chapter 39.04.350 RCW and chapter 39.12 RCW.

The Bidder may be required by the District to submit documentation demonstrating compliance with these criteria.

10. BID BOND

Each Bid shall be accompanied by a certified or cashier's check payable to the order of Public Utility District No. 2 of Grant County, Washington for a sum not less than 5% of the amount of the Total Bid Price, or accompanied by a Bid Bond on the form provided as Exhibit "B", in an amount not less than 5% of the Total Bid Price with a corporate surety licensed to do business in the State of Washington, conditioned that the Bidder shall pay the District as liquidated damages the amount specified in the bond, unless Bidder enters into a Contract in accordance with their Bid and furnishes the Payment and Performance Bond hereinafter mentioned within 10 days from Contract Award. If a Bid is rejected, or if a Bid is accepted and a Contract Form executed, any check shall be returned in each instance within a period of 10 days to the Bidder furnishing the same. If the Bid is one of the three low Bids, such check or bond shall be held by the District until Contract Documents are fully executed by the District and successful Bidder and the Payment and Performance Bond provided per Section 12. If a Bid Bond was provided, 30 days following this period, the original Bid Bond shall

be destroyed unless the Surety or Contractor requests the return of the bond, in writing, prior to destruction. The Bidder's failure to submit its Bid Bond on the form attached to the Contract Documents may result in rejection of the Bid.

11. REFUSAL TO EXECUTE CONTRACT

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

12. PAYMENT AND PERFORMANCE BOND

To assure compliance with the terms of the Contract Documents, the Contractor shall furnish a Payment and Performance Bond in an amount equal to 100% of the amount of the Contract Price, excluding Washington State Sales Tax, with surety or sureties who are acceptable to the District. This Payment and Performance Bond shall remain in force for a period of 365 days after Final Acceptance. Thirty days following this expiration, the original Payment and Performance Bond shall be destroyed unless the Surety or Contractor requests the return of the bond, in writing, prior to destruction. The Payment and Performance Bond must be on the form provided with these Contract Documents as Exhibit "D". The cost of the Payment and Performance Bond shall be included in the Total Bid Price.

13. WAIVE MINOR ERRORS

The District reserves the right to waive minor errors or irregularities in any Bid if it appears to the District that such errors or irregularities in any Bid were made through inadvertence and are not material. Any errors or irregularities so waived must be corrected on the Bid on which they occur prior to the execution of any Contract Form which may be awarded thereon. No Bidder may withdraw their Bid after the hour set for the opening thereof, unless and until Contract Award has been delayed for a period exceeding 60 days after the date of Bid opening.

14. DISTRICT'S RIGHT TO REJECT BIDS

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

15. PUBLIC RECORDS ACT

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

16. EXAMINATION OF SITE

The Bidder shall satisfy itself concerning the nature and the location of the work, the general and local conditions, particularly those affecting transportation, disposal, handling and storage of materials, availability of labor and applicable wage rates, water and electric power, roads, climate

conditions and seasons, and physical conditions at the actual work site and project area as a whole, the equipment and facilities needed preliminary to and during work prosecution, and all other matters which can in any way affect the work or the cost thereof. Failure of the Bidder to acquaint itself with all available information regarding any applicable condition shall not relieve Bidder of the responsibility for properly estimating both the difficulties and the costs of successfully performing the work.

No site inspections are scheduled. For specific questions regarding the work sites or locations noted in Exhibit "L" and/or Exhibit "M" prospective Bidders may contact the District Representative, William Coe, by email at Wcoe@gcpud.org.

17. CONTRACT DOCUMENTS

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

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

18. BIDDER QUESTIONS OR CLARIFICATIONS

Bidders are to submit questions or requests for clarification in writing to the District's Procurement Officer. If appropriate, response to Bidder's questions will be posted to the District's ProcureWare web site. The deadline to submit questions or request for clarification to the District shall be three business days prior to the time and date that Bids are due.

GENERAL CONDITIONS

GC-1. FORM OF CONTRACT

The form of the Contract shall be lump sum and unit price type.

GC-2. DEFINITIONS

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

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

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

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

“**BID ITEM PRICE**” – For unit price Bid Items, the Bid Item Price shall be the correctly calculated (extended) price of all units of each Bid Item (Bid Unit Price times Estimated Quantity). For lump sum Bid Items, the Bid Item Price shall be the price of each Bid Item.

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

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

“**CONTRACT AWARD**” - Contract Award is defined as the date the successful Bidder is first notified in writing that the District has accepted the Contractor's Bid. Contract Award, if any, shall be made within 60 days after the date of Bid opening.

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

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

“**CONTRACTOR**” - The successful Bidder who is awarded the Contract to perform the work covered by these Contract Documents.

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

“**DISTRICT REPRESENTATIVE**” - The employee designated by the District as its representative during the progress of the work.

“**FINAL ACCEPTANCE**” - Acceptance of the work by the District in writing. Final Acceptance shall not constitute an acceptance by the District of any work performed or goods supplied which are not in strict compliance with the Contract Documents.

“**PROMPT PAYMENT DISCOUNT**” - As provided for on the Bid Form, Contractor may accept the prompt payment discount of 2% 10 days, which shall mean, if the District issues payment within

10 days, the payment due shall be reduced by 2%. A payment is considered made on the day it is mailed or is sent through electronic or wire transfer.

“SUBCONTRACTOR” - A contractor hired by the Contractor to perform a portion of the work covered by these Contract Documents.

“TOTAL BID PRICE” - The properly calculated total of the Bid Items on the Bid Form.

GC-3. SUSPENSION OF WORK/TERMINATION OTHER THAN FOR DEFAULT

The District may, at its sole option, by notice in writing to the Contractor suspend or terminate at any time the performance of all or any portion of work to be performed under the Contract. Upon such notice of suspension or termination of work, the District shall designate the amount and type of plant, labor, and equipment to be committed to the work site during the period of suspension or termination. The Contractor shall use its best efforts to utilize its plant, labor, and equipment in such a manner as to minimize costs associated with suspension or termination.

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

- C. Upon receipt of notice to resume suspended work, the Contractor shall immediately resume performance of the suspended work to the extent required in the notice. Any claim on the part of the Contractor for time or compensation shall be made within 10 days after receipt of notice to resume work and the Contractor shall submit a revised project schedule for review.
- D. Upon delivery of a written notice to the Contractor, the District may, without cause and without prejudice to any other right or remedy, elect to terminate the Contract. Upon receipt of any such notice, the Contractor shall take all appropriate steps in part A of this Section GC-3.

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

If such termination is effected after Contract Award but prior to the District issuing Notice to Proceed to the Contractor, the District shall pay the reasonable, verifiable and directly attributable costs incurred by the Contractor in the preparation of their Bid plus 15% of such costs. If such termination is effected after the District has issued Notice to Proceed and the Contractor has commenced performance hereunder, the District shall pay the reasonable, verifiable and directly attributable costs incurred by the Contractor as determined by the physical progress of the work satisfactorily completed to date plus costs of removing equipment and materials and otherwise demobilizing, plus 10% of the sum of all such costs; provided, said payment shall not in any event exceed the Contract Price hereunder. The payment of the District shall constitute full and complete satisfaction and settlement for the Contractor's overhead, anticipated profits, and all other inconvenience, expenses, damages, costs and lost profits whatsoever. The Contractor shall be entitled to no further payments whatsoever for the work. Amounts retained and accumulated under RCW Chapter 60.28 shall be held and disbursed as provided therein.

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

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

GC-4. TERMINATION FOR DEFAULT/NONCOMPLIANCE

A. Acts of Default

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

B. Consequences of Default

In the event of default, the District may immediately, without limiting any other remedy available to it in law or equity, withhold any amount otherwise due under the Contract. The District shall provide written notice of default. In the event the default can be cured,

and Contractor fails to correct the default within 10 days after written notice of default, the District may terminate the Contractor's right to proceed with all or any portion of the work. The District's right to liquidated damages shall not in any manner limit any other remedy available to the District, including but not limited to, the District's right to terminate the Contractor's right to proceed.

C. Noncompliance

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

GC-5. ASSIGNMENT

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

GC-6. INDEMNITY

A. Contractor shall be responsible for any and all damage, loss or injury of any kind or nature whatsoever, direct or indirect, to person or property arising out of or in any manner connected with or caused by or resulting from or suffered in connection with the execution of the work provided for in this Contract, or in connection therewith. Contractor agrees to defend, indemnify and hold harmless the District and its representatives (which terms shall be deemed to include directors, officers, employees, agents, and servants, and any other persons directly or indirectly engaged in any activity connected with the performance of the work under the Contract Documents) from and against any and all liabilities, claims, losses, damages or expenses, including reasonable legal fees, and expert witness fees, which may be incurred or sustained by the District or any of their respective employees, by reason of any act, omission, misconduct, negligence, or default on the part of the Contractor or any Subcontractor of the Contractor, and any employees of the Contractor or Subcontractor and except as may otherwise be provided by applicable law. Contractor specifically assumes liability for actions brought by Contractor's own employees against the District and for that purpose Contractor specifically waives any immunity under the Workers Compensation Act, RCW Title 51. The indemnification obligation under this Contract shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable to or for any third party under workers' compensation acts, disability benefits acts, or other employee benefits acts; provided Contractor's waiver of immunity by the provisions of this paragraph extends only to claims against Contractor by District, and does not include, or extend to, any claims by Contractor's employees directly against Contractor.

B. The District shall not be responsible or be held liable for any damage to person or property consequent upon the use, misuse or failure of any crane, hoist, rigging, blocking, scaffolding or other equipment used by the Contractor or any of its Subcontractors, even though the said

crane, hoist, rigging, blocking, scaffolding, or other equipment be furnished or loaned to the Contractor by the District. The acceptance and/or use of any such crane, hoist, rigging, blocking, scaffolding or other equipment by the Contractor or its Subcontractors shall be construed to mean that the Contractor accepts all responsibility for any claims for damages whatsoever resulting from the use, misuse or failure of such apparatus whether such damages by its own employees or property or to the employees or property of other Contractors, the District, or otherwise.

- C. Contractor's indemnification obligation shall not apply to liability for damages arising out of bodily injury to persons or damage to property caused by the negligence of the District or its agents or employees and not attributable to any act or omission on the part of the Contractor. In the event of damages to person or property caused by or resulting from the concurrent negligence of District or its agents or employees and the Contractor or its agents or employees, the Contractor's indemnity obligation shall apply only to the extent of the Contractor's (including that of its agents and employees) negligence.
- D. Contractor acknowledges that by entering into a contract with the District, Contractor has mutually negotiated the above indemnity provisions with the District. Contractor's indemnity and defense obligations shall survive the termination or completion of the Contract and remain in full force and effect until satisfied in full.

GC-7. LAWS, REGULATIONS, PERMITS

The Contractor and Subcontractors shall comply with all applicable building, health, and construction codes. The Contractor represents that it is familiar with, and shall be governed by and comply with, all Federal, State and local statutes, laws, ordinances, and regulations including amendments and changes as they occur. In the event of a conflict, the most stringent provision shall apply. The Contractor and any Subcontractors shall be responsible for ensuring that its employees fully comply with the District's Code of Ethics, a copy of which is available at the District's offices.

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

Unless the Contract Documents provide otherwise, all permits and licenses necessary to the prosecution of the work shall be secured by the Contractor at its own expense, and Contractor shall give all notices necessary and incident to the due and lawful prosecution of the work.

GC-8. DAMAGES

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

GC-9. INDEPENDENT CONTRACTOR, SUPERINTENDENT, AND EMPLOYEES

It is understood and agreed that in all work covered by the Contract, the Contractor shall act as an independent contractor, maintaining complete control over its employees and all of its Subcontractors. The Contractor shall perform the work in accordance with its own methods, subject to compliance with the Contract. The Contractor shall perform the work in an orderly and workmanlike manner, enforce strict discipline and order among its employees and assure strict discipline and order by its Subcontractors, and shall not employ or permit to be employed on the work any unfit person or anyone unskilled in the work assigned to them.

The Contractor shall designate in writing before starting work competent, authorized site representative(s) who shall be authorized to represent and act for the Contractor in all matters relating to the Contract. The Contractor's letter designating representative(s) shall clearly define the scope of their authority to act for the Contractor and define any limitations of this authority. Said authorized representative(s) shall be present at the site of the work at all times when work is in progress. Arrangements acceptable to the District shall be made for any emergency work which may be required. The Contractor's authorized representative(s) shall be supported by competent assistants as necessary, and the authorized representative(s) and assistants shall all be satisfactory to the District. All directions given to the authorized representative(s) by the District shall be binding as if given to the Contractor.

The Contractor and its Subcontractors shall employ only orderly workers. Employees deemed by the District to be incompetent, subversive, or disorderly shall be removed from the performance of the work, and such removal shall not form the basis of any claim for compensation or damage upon the District.

The Contractor and Subcontractor shall be responsible for ensuring that its employees fully comply with all applicable federal, state and local laws and support the District's commitment to provide a safe, healthy, and drug free work environment. The Contractor and Subcontractor shall immediately remove any employee from further work when it is determined that they are not fit for duty. Furthermore the Contractor and Subcontractor shall immediately remove any employee from further work if it is determined by the District, at its discretion, that the employee is not fit for duty for any reason. Failure on the part of the Contractor or Subcontractor to comply with any of the above shall be considered an act of default in accordance with Section GC-4.

GC-10. CORRECTION OF WORK/WARRANTY

All materials and equipment incorporated into any work under the Contract shall be new and of the most suitable grade of their respective kinds for their intended uses unless otherwise specified. All workmanship shall be in accordance with sound work practices acceptable to District Representative. Contractor warrants all equipment, materials and labor it furnishes or performs under this Contract against defects in design, materials, and workmanship. Contractor's warranty shall remain in effect for a period of 365 days after Final Acceptance.

If at any time prior to the expiration of the warranty period, Contractor or District discovers any defect in such design, materials or workmanship, the Contractor shall, upon written notice from the District given within a reasonable time after discovery, correct such defects to the satisfaction of the District by redesigning, repairing or replacing the defective work at a time acceptable to District. All costs incidental to such corrective action including removal, disassembly, reinstallation, re-work, re-testing and re-inspection as may be necessary to correct the defect or demonstrate that the previously defective work conforms to the requirements of the Contract shall be borne by the Contractor.

Contractor warrants any and all corrective action against defects in design, materials, and workmanship for a period of 12 months following acceptance by District of the corrected work.

If, after due notice, the Contractor shall refuse or persistently neglect to make corrections so as to meet the requirements of the Contract, the District may proceed to make such corrections as they may be required and Contractor shall reimburse District for all cost and expenses incurred in connection therewith.

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

GC-11. CHANGES IN WORK

Without invalidating the Contract, the District may make changes by altering, adding or deducting from the work, and/or make changes in the drawings and specifications requiring changes in the work and/or materials and equipment to be furnished under this Contract; provided such additions, deductions or changes are within the general scope of the Contract. Except as provided herein, no official, employee, agent or representative of the District is authorized to approve any change in this Contract and it shall be the responsibility of the Contractor before proceeding with any change, to satisfy itself that the execution of the written Change Order has been properly authorized on behalf of the District. The District's management has limited authority to approve Change Orders. The current level and limitations of such authority are set forth in District Resolution No. 8609 which may be amended from time to time. Otherwise, only the District's Board of Commissioners may approve changes to this Contract.

Charges or credits for the work covered by the approved changes shall be determined by one or more, or a combination of the following methods, at the District's option:

- A. Unit prices specified in the Contractor's Bid proposal, if any.
- B. An agreed lump sum. When requested, Contractor shall provide a detailed proposal for evaluation by the District, including, as applicable:
 - 1. Detailed proposed labor categories, hours, and rates.
 - 2. Specific materials and quantities.
 - 3. Equipment and equipment hours.
- C. Actual Cost
 - 1. Labor, including foreman, only for employees who will work directly on the work covered by the Change Order.
 - 2. Payroll taxes and fringe benefits.
 - 3. Materials entering permanently into the work.
 - 4. The ownership or rental cost of plant and equipment during the time of use on the project.
 - 5. Power and consumable supplies for the operation of power equipment.

6. Insurance and bonding.
7. The Contractor may include a fixed fee (overhead plus profit) not to exceed 15% to the sum of Items 1 through 6. This fixed fee shall include:
 - a. Reproduction and printing costs including electronic media.
 - b. Communication costs including all phones, faxes, Internet, postage, shipping, delivery, couriers.
 - c. Computer software, printers, scanners, office machines and related costs of operation including consumables.
 - d. Indirect and overhead burden.
 - e. Profit.
8. For any work performed by a Subcontractor, the Contractor's fixed fee is limited to 6%. Items 1 through 7 also apply to the Subcontractor.

When a change is ordered by the District, as provided herein, a Change Order shall be executed by the District and the Contractor before any Change Order work is performed. The District shall not be liable for any payment to Contractor, or claims arising therefrom, for Change Order work which is not first authorized in writing as set forth in this section. All terms and conditions contained in the Contract Documents shall be applicable to Change Order work. Change Orders shall be issued on the form attached as Exhibit "E" and shall specify any change in time required for completion of the work caused by the Change Order and, to the extent applicable, the amount of any increase or decrease in the Contract Price.

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

If the Contractor believes the instruction shall result in additional costs or time extensions, Contractor shall promptly notify the District of the same and not proceed with the changes. Contractor shall provide a cost and schedule proposal per District Instruction Item 3 or independently provide an alternative for consideration by the District Representative by submitting a Contractor Change Order Proposal, Exhibit "G".

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

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

GC-12. PAYMENT/RETAINAGE

Contractor may submit an invoice monthly for approval and payment by the District for the portion of work satisfactorily completed during the previous month for each Bid Item as shown on the Bid Form and for materials and/or equipment properly stored on District property. The invoice shall itemize the completed work by reference to the particular Bid Item as shown on the Bid Form. Units completed must be clearly identified on any items with unit prices on the Bid Form. Payment shall be made in accordance with the prices specified on the Bid Form. The District Representative shall make the determination as to the percentage of completion (or number of units) of each Bid Item for payment purposes. 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). If accepted by the Contractor on the Bid Form and the District issues payment within 10 days, the payment due shall be reduced by 2%.

Invoices shall include the Contract number 130-12121 and a list of the Subcontractors used during the billing period. Invoices shall be addressed as follows:

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

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

The District shall withhold the sum of 5% of the amount of each progress payment to the Contractor as retainage in accordance with RCW Chapter 60.28 of the Revised Code of the State of Washington.

If the District is requested in writing by the Contractor, the monies reserved hereunder (retainage) shall be placed in escrow with a mutually agreed upon bank or trust company by the District and interest on such escrowed funds shall be paid to the Contractor as said interest accrues, all as more fully provided in RCW Chapter 60.28. However, any payments made to the Contractor hereunder shall not relieve the Contractor from responsibility under provision of the Contract and warranties. Payment is not to be construed as acceptance by District or certification that the Contractor has performed the work correctly or according to Contract Documents.

GC-13. PAYMENTS WITHHELD

In addition to the above percentage retained, the District may withhold the whole or part of any payment to such extent as may be reasonably necessary to protect itself from loss on account of:

- A. Defective or damaged work not remedied or warranties not met.
- B. Claims filed or reasonable evidence indicating filing of claims against the Contractor.
- C. Failure of the Contractor to make payments properly to Subcontractors or for materials, labor, or equipment.
- D. A reasonable doubt that the Contract can be completed for the balance then unpaid.

- E. Damage to another Contractor.
- F. Damage to or loss of District-furnished materials or District property.
- G. Contractor's failure to meet any performance warranties required by the Contract Documents.
- H. Contractor's liability for payments due to the District as the result of terms and conditions of these Contract Documents.

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

GC-14. ACCEPTANCE AND FINAL PAYMENT

When the Contractor has completed all work in accordance with the terms of the Contract Documents, the Contractor shall properly execute and submit final invoice to Accounts Payable. Once final invoice has been processed, the District's Procurement Department will issue the Certificate of Completion and Release to be executed by the Contractor and returned to the Procurement Officer. The Certificate of Completion and Release shall constitute a waiver of all claims by the Contractor except for unsettled claims specifically stated, if any.

The Certificate of Completion and Release shall warrant that the Contractor has fully completed its work included in the Contract and has fully paid for labor, materials, equipment, services, taxes and all other costs and expenses of every nature and kind whatsoever resulting from this Contract. If any dispute exists between the Contractor and any person, firm or corporation to which the Contractor might be obligated in connection with this Contract, the Contractor shall state the name of claimant and amount and general nature of claim against the Contractor. The Certificate of Completion and Release shall state the amount and nature of all present and future claims that the Contractor may have against the District relative to this Contract. The Contract work shall not be complete until after the Contractor has returned to the Procurement Officer a properly completed Certificate of Completion and Release.

Upon receipt of Certificate of Completion and Release by the Procurement Officer, the District Representative provides a recommendation relative to Final Acceptance. The District shall, within a reasonable time, take action on Final Acceptance. Such action shall be subject to the condition of the Payment and Performance Bond, legal rights of the District, required warranties, and correction of faulty work discovered after final payment. The District shall have the right to retain from any payment then due the Contractor, so long as any bills or claims remain unsettled and outstanding, a sum sufficient, in the opinion of the District, to provide for the payment of the same. It is also understood and agreed that, in the case of any breach or damage by the Contractor of the provisions hereof, the District may retain from any payment or payments a sufficient sum in the opinion of the District which may become due under any obligation of the District.

Sixty days after Final Acceptance, retainage may be released to the Contractor; provided, however, that there are no claims filed of materialmen or laborers and that the District has received the certificate of the Washington State Department of Revenue of payment in full of all taxes, Employment Security Department release, the approved Washington State Department of Labor and Industries Certificate of Release of the State's Lien on Public Works Contracts form and the approved affidavit showing payment of prevailing wages for the Contractor and any Subcontractors. If any

liens remain unsatisfied from the retainage, the Contractor shall refund to the District such amounts as the District may have been compelled to pay in discharging such liens including all costs and reasonable legal fees.

GC-15. DISTRICT REPRESENTATIVE'S STATUS, AUTHORITY AND PROTEST PROCEDURE

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

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

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

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

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

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

William Coe
Public Utility District No. 2
of Grant County, Washington
PO Box 878
Ephrata, WA 98823
(509) 754-6756
Wcoe@gcpud.org

GC-16. COOPERATION WITH OTHERS

There may be other contractors or forces of the District working the same area where work under this Contract shall be performed. The Contractor shall fully cooperate with such other contractors and the District's employees and carefully fit their work with the other work consistent with orderly and expeditious performance and completion of the project as a whole.

GC-17. WAGES PAID BY THE CONTRACTOR

Contractor and its Subcontractors shall comply with all provisions of RCW Chapter 39.12 and Section 2.5 of the Collective Bargaining Agreement (hereinafter referred to as Section 2.5) between the District and IBEW Local No. 77. A copy of Section 2.5 is attached hereto as Exhibit "I". Contractor and its Subcontractors shall pay all laborers, workmen, or mechanics employed by it or them in the performance of this Contract the greater of: (1) the applicable state prevailing wage rate required by (RCW Chapter 39.12); or (2) the applicable wage rate required by Section 2.5. In the event the applicable wage rate(s) required to be paid by the Contractor or its Subcontractors change during the performance of this Contract, Contractor and its Subcontractors shall make any required adjustment so as to fully comply with any applicable state prevailing wage rate law (RCW Chapter 39.12) and Section 2.5. Notwithstanding the foregoing, the District shall not be required to make any adjustment in the Contract Price as a result of changes in either the state prevailing wage rate law or Section 2.5, except as provided in WAC 296-127-023.

Prior to any payments being made to Contractor, the Contractor and each and every Subcontractor of the Contractor or a Subcontractor shall file a "Statement of Intent to Pay Prevailing Wages" which has been approved by the Department of Labor and Industries as required by RCW 39.12.040.

Washington State hourly prevailing wage rates are located at: <https://www.lni.wa.gov/licensing-permits/public-works-projects/prevailing-wage-rates/>. It shall be the Contractor's responsibility to determine the locality of the work and to confirm with the Washington State Department of Labor and Industries, prior to the Bid due date, that the appropriate classification of work and most current version of the prevailing wage rates are utilized in the preparation of the Contractor's Bid.

For Bid Item Nos. 13, 14, 15 and 16: Pursuant to RCW 54.04.070 7(e), Intents and Affidavits for prevailing wages paid must be submitted annually for all work completed by the Contractor and any Subcontractors used within the previous twelve-month period of the unit priced contract. Any filing costs associated with Intents and Affidavits shall be included in the Total Bid Price.

GC-18. INSURANCE

- A. Prior to the commencement of any work under this Contract, and at all times during the term of this Contract, 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 deductible, self-insured retention or coverage via captive \$25K or above must be disclosed and is subject to approval by 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);
 - e. Pollution Liability (sudden and accidental);
 - f. Such insurance shall not exclude coverage for action-over liability claims;
 - g. Such insurance shall not exclude coverage for Explosion (X), Collapse (C) and Underground Hazards (U).

with the following **minimum limits:**

- h. \$1,000,000 Each Occurrence
- i. \$1,000,000 Personal Injury Liability
- j. \$2,000,000 General Aggregate (per project)
- k. \$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 and completed 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 (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 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 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 or the statute of repose.

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

- B. Evidence of Insurance - Prior to performing any Services, and within 10 days after receipt of the Contract Award, then annually thereafter, the Contractor shall file with the District a Certificate of Insurance showing the Insuring Companies, policy numbers, effective dates, limits of liability and deductibles with a copy of the endorsement naming the District as an Additional Insured for each policy where indicated in Section A.
- C. 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.

- D. Subcontractors - Contractor shall ensure that each Subcontractor meets the applicable insurance requirements and specifications of this Contract. 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.
- E. 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 email.

GC-19. SAFETY

The Contractor shall comply with the safety requirements of these Contract Documents, all District policies pertaining to COVID-19 located at <https://www.grantpud.org/for-contractors> and the current version of the applicable requirements of the following codes and standards (including reports and records as required) which includes but are not limited to:

Applicable Local Codes and Statutes	
American Concrete Institute	(ACI)
American Institute of Steel Construction	(AISC)
American National Standards Institute	(ANSI)
American Society of Civil Engineers	(ASCE)
American Society of Mechanical Engineers	(ASME)
American Society for Testing and Materials	(ASTM)
American Welding Society	(AWS)
American Wood Preservers Association	(AWPA)
Division of Occupational Safety and Health	(DOSH)
Edison Electric Institute	(EEI)
Institute of Electrical & Electronics Engineers	(IEEE)
Insulated Cable Engineers' Association	(ICES)
International Building Code	(IBC)
International Energy Conservation Code	(IECC)
International Existing Building Code	(IEBC)
International Fire Code	(IFC)
International Mechanical Code	(IMC)
International Plumbing Code	(IPC)
National Electrical Code	(NEC)
National Electrical Manufacturers' Association	(NEMA)
National Electrical Safety Code	(NESC)
National Fire Protection Association	(NFPA)
Occupational Safety and Health Administration	(OSHA)
Washington Administrative Code	(WAC)
Washington Industrial Safety & Health Act	(WISHA)
Washington State Department of Ecology	(WSDOE)
Washington State Department of Health	(WSDOH)
Washington State Department of Transportation	(WSDOT)
Washington State Department of Labor & Industries	(LNI)
Washington State Energy Code	(WSEC)
United States Environmental Protection Agency	(EPA)

Any accidents or damage to District property shall be reported immediately to the District Representative in accordance with the Contractor Safety Requirements section of these Contract Documents.

Nothing herein shall be deemed to impose any duty or obligation on the District to determine the adequacy or sufficiency of the Contractor and Subcontractors' safety programs. Contractors and Subcontractors remain solely responsible for safety of the general public and employees, as provided herein.

GC-20. INSPECTION

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

The District Representative shall be kept informed of the production schedules so that inspections may be adequately performed. The Contractor shall give timely notice of any inspections required or desirable. Re-examination of questioned work may be ordered by the District Representative, and, if so ordered, the work must be uncovered by the Contractor. If such work be found in accordance with the Contract Documents, the District shall pay the costs of re-examination and replacement. If such work be found not in accordance with the Contract Documents, the Contractor shall bear such cost and expedite such necessary corrections.

GC-21. CONFLICT AND PRECEDENCE/INTENT

A. In the event there are any conflicting provisions or requirements in the component parts of the Contract, the several Contract Documents shall take precedence in the following order:

1. Change Orders
2. Contractor Safety Requirements
3. Contract Form
4. Addenda
5. Specific Requirements
6. General Conditions
7. Technical Specifications
8. Map Exhibit "L"
9. Pole Location Details Exhibit "M"
10. Instructions to Bidders
11. Payment and Performance Bond
12. Bid Proposal

B. The intent of the Contract Documents is to prescribe a complete work. Contractor shall furnish all labor, tools, equipment, transportation, supplies and incidentals required to complete all work. The Contract Price, whether lump sum or unit prices or a combination thereof, shall be full pay for all work and equipment required to fully complete the Contract work.

GC-22. PRE-WORK CONFERENCE

The Contractor, upon notification by the District, may be required to attend a pre-work conference prior to starting any work. The purpose of the conference is to discuss, among other considerations, the responsibility of the Contractor and its Subcontractors in the prosecution and progress of the work.

The conference, if any, shall be held on a date mutually agreed upon by the Contractor and the District Representative.

GC-23. PROGRESS MEETINGS

Progress review meetings shall be held at regular intervals as deemed necessary by the District Representative. Progress meetings shall be utilized to review the work schedule and discuss any delays, unusual conditions, or critical items which have affected or could affect the progress of the work.

Time is of the essence for this Contract. If at any time during the progress of work, the Contractor's actual progress, in the opinion of the District Representative, is inadequate to meet the Contract completion dates, the District may issue a written notice of noncompliance to the Contractor who shall thereupon take such steps as may be necessary to improve its progress. If within a reasonable period as determined by the District Representative, the Contractor does not improve performance to meet the work schedule, the District may direct the Contractor to accelerate the work through an increase in the Contractor's labor force, the number of shifts, overtime operations, additional days of work per week and/or an increase in the amount of plant; all without additional cost to the District. Neither such notice by the District nor the District's failure to issue such notice shall relieve the Contractor of its obligation to achieve the quality of work and rate of progress required by the Contract.

Failure of the Contractor to comply with the instructions of the District may be grounds for determination by the District that the Contractor is not prosecuting its work with such diligence as shall assure completion within the times specified. Upon such determination, the District may terminate the Contractor's right to proceed with the performance of the Contract, or any separable part thereof in accordance with Section GC-4.

GC-24. DELAYS AND EXTENSIONS OF TIME

If the Contractor is delayed at any time in the progress of work by any unforeseeable causes beyond the control of the Contractor, the Contract time shall be extended for such reasonable time as the District Representative shall determine. The Contractor agrees to complete the work within the Contract time as thus extended. Such extensions shall postpone the beginning of period for payment of liquidated damages but they and the events producing them shall not be grounds for claim by the Contractor of damages or for additional costs, expenses, overhead or profit or other compensation. Except for delays caused by the acts or omissions of the District or persons acting for it, extensions of time granted by the District Representative to the Contractor shall be the Contractor's sole and exclusive remedy for any delays due to causes beyond the control of the Contractor.

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

Avoidable delays in the prosecution or completion of the work, for which no time extension shall be granted, shall include all delays which in the opinion of the District Representative could have been avoided by the exercise of care, prudence, foresight and diligence on the part of the Contractor or its Subcontractors. Additionally, delays in the prosecution of parts of the work which may in themselves be unavoidable but do not necessarily prevent or delay the prosecution of other parts of the work nor

the completion of the whole work within the time herein specified shall constitute avoidable delays for which no time extension shall be granted.

All changes of the time or changes of the schedule shall be made by Change Orders to the Contract pursuant to Section GC-11.

GC-25. AUDIT OF RECORDS

Contractor shall maintain records and accounts in accordance with Generally Accepted Accounting Principles (GAAP) in connection with the performance of the Contract which shall accurately document incurred costs both direct and indirect, of whatever nature. If District Representative establishes uniform codes of accounts for the project, Contractor shall use such codes in identifying its records and accounts. District Representative or their representatives shall have the right to examine and copy at all reasonable times, with advance notification, Contractor's records and accounts for the limited purpose of verifying requests for payment when costs are the basis of such payment and for evaluating the reasonableness of proposed Contract Price adjustments and claims. Contractor shall make all records and accounts available to the District for inspection and copying at the District's main offices in Ephrata, Washington.

GC-26. DISTRICT'S USE OF CONSTRUCTION AND/OR EQUIPMENT

- A. The District shall have the right to take possession of, use and collect revenues from any completed, partially completed, satisfactory or unsatisfactory portions of the work after the time for completion of the work has expired, but such taking possession and use shall not be deemed an acceptance of any work not completed in accordance with the Contract Documents.
- B. The District shall be responsible for damages incurred as a result of use of the work except when such damages occur as a result of uncompleted work or faulty workmanship or materials. Prior to using any portion of the work, the District may notify the Contractor of inventory of work yet to be completed.
- C. During the progress of the work it may be necessary for the District to have access to the facilities to install certain material.
- D. The District shall have the right to operate all equipment as soon and as long as it is in operational condition, whether or not such equipment has been accepted as complete and satisfactory, except that this shall not be construed to permit operation of any equipment which may be materially damaged by such operation before any required alterations or repairs have been made. All repairs or alterations required by the Contractor shall be made by the Contractor at such times as directed and in such manner as shall cause the minimum interruption in the use of the equipment by the District.

GC-27. ENVIRONMENTAL CONTROL

The Contractor and Subcontractors shall comply with all applicable state and federal environmental regulations. Contractor shall take suitable measures and provide suitable facilities to prevent pollution, oil and chemical spills, soil erosion and the introduction of any substances or materials into any stream, river, lake or any other body of water which may pollute or silt the water or constitute substances or materials deleterious to fish or wildlife. Further, Contractor shall use all reasonable efforts to maintain the site of the work free from fugitive dust (i.e. dust that becomes airborne or

visual). Contractor shall be responsible for all cost of corrective measures required as a result of any pollution, erosion or siltation, including its effects on adjacent properties.

GC-28. TAXES

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

GC-29. BOND IN LIEU OF RETAINAGE

Pursuant to RCW Chapter 60.28, the Contractor may submit a bond in lieu of the retainage that the District would otherwise keep under the terms of this Contract and pursuant to applicable law. Any such bond submitted in lieu of retainage must be on the form provided with these Contract Documents (see Exhibit "J"). In the event the Contractor fails at any time to pay persons protected under RCW Chapter 60.28 or the District has reason to believe that the District or other obligee under the bond has a claim against the retainage or for other good cause, the District may, at its option, resume retaining from monies earned by the Contractor in such amount as it would otherwise be entitled to retain had the bond not been accepted. Notwithstanding the District's resuming such retainage, said bond shall remain in full force and effect to the extent of its penal sum, limited to the amount of retainage released to the Contractor. After the Contractor has paid protected persons or otherwise cured any default, the District may, at its option, again release retainage pursuant to the terms of the bond. Not less than 30 days following Final Acceptance, District receipt of an Affidavit of Wages Paid approved by the Washington State Department of Labor & Industries, and District receipt of the proper releases from Washington State Department of Revenue, Employment Security Department, and Washington State Department of Labor and Industries, the original Bond in Lieu of Retainage shall be destroyed unless the Surety or Contractor requests the return of the bond, in writing, prior to destruction. Any costs associated with the Bond in Lieu of Retainage shall be included in the Total Bid Price.

GC-30. NON-WAIVER

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

GC-31. 2008 EARLY RETIREMENT FACTORS ACKNOWLEDGEMENT

By executing this Contract, Contractor acknowledges that they are in compliance with RCW 41.50.139 regarding the 2008 early retirement factors per WAC 415-02-325. Contractors found to be in non-compliance shall be responsible for all penalties incurred.

SPECIFIC REQUIREMENTS

SR-1. SCOPE OF WORK/WORK TO BE PERFORMED BY THE CONTRACTOR

The Contractor shall furnish all materials, equipment, machinery, tools, plant, labor, and transportation to perform the work specified in these Contract Documents for the Distribution Line Tree Trimming and Removal Services to December 31, 2024 located in Grant County.

SR-2. COMPLETION SCHEDULE

The Contractor shall not commence any work under this Contract until after all of the following: (1) receipt of notification of Contract Award; (2) full execution of the Contract Form; (3) providing the required Payment and Performance Bond; (4) providing the required Insurance Certificates; (5) attending the pre-work conference, if any; (6) acceptance by the District of the Contractor's Site Specific Safety Plan or Accident Prevention Plan, as applicable; and (7) receipt of Notice to Proceed signed by the District. The Contractor shall complete such work in a diligent and workmanlike manner.

Distribution line tree trimming and removal services shall be completed in the 12 areas specified on the Bid Form and as shown on the attached Map (Exhibit "L") and including the Pole Location Details (Exhibit "M"). The Contractor shall complete tree trimming and removal (Bid Item Nos. 1 thru 12) beginning upon receipt of Notice to Proceed and ending December 31, 2024. The District anticipates issuing the Notice to Proceed on approximately March 11, 2024.

The District makes no guarantees as to the actual amount of work to be performed for Bid Items 13, 14, 15 and 16. The Contractor shall not be entitled to any anticipated revenue, profit or damages with respect to unperformed services. The District Representative may direct that tree trimming shall not be performed in certain areas.

SR-3. MATERIALS AND EQUIPMENT

A. Materials Furnished By Contractor

The Contractor shall purchase and furnish for this Contract all materials for the project except for the equipment and materials which shall be supplied by the District. The materials to be furnished by the Contractor and incorporated into the work shall be new and of grades and quality specified. Any materials required for a completed project, that are not specified below as being furnished by the District are to be furnished by the Contractor.

B. Materials Furnished By District

None.

SR-4. MOBILIZATION

A. Mobilization shall consist of preparatory operations performed by the Contractor, including, but not limited to, those necessary for the movements of its personnel, equipment, supplies, District-supplied material and incidentals to the project site or any District-owned property adjacent to the project site; for the establishment of its field office, buildings and other facilities necessary for work on the project.

- B. Mobilization is prohibited prior to the Contractor's receipt of a Notice to Proceed signed by the District. The District reserves the right to deem the Contractor non-compliant per Section GC-4 should it attempt to mobilize prior to receiving the Notice to Proceed.
- C. The cost of Mobilization shall be included in the Total Bid Price.

SR-5. NOISE CONTROL

- A. The Contractor shall take special precautions to reduce the noise level from work activities. Noise of work shall be kept from exceeding, as a criterion, the NCA 45 curve inside rooms of adjoining buildings with windows kept closed.
- B. All operations shall be conducted in such a way that employees of the Contractor and District or any other persons are not subjected to noise levels in excess of those prescribed in the Walsh-Healy Act, on occupational noise exposure.
- C. No blasting, air-hammering, excavation or other high noise level operations as determined by the District shall be permitted outside of daylight hours.

SR-6. CONTRACTOR WORK HOURS

All work required to be performed by Contractor shall normally be done between the hours of 6:00 a.m. and 4:30 p.m., Monday through Thursday, exclusive of District observed holidays or as identified in the approved schedule. Contractor shall provide a minimum 72 hour notice to the District Representative if at any time it becomes necessary or Contractor desires to work at times other than those specified herein or as approved in advance by the District. Approval of any proposed alternative work schedule shall be at the sole discretion of the District Representative.

For every hour the Contractor works in excess of the approved work schedule, or works in excess of 40 hours per week, the District shall deduct and retain from the Contract Price, \$125.00 per manhour to cover the District's direct and incidental costs including overhead and overtime payroll costs, required for the inspection and observation of work performed outside of the normal work hours specified above or as identified in the approved schedule. If the unapproved hours or excess hours increase the number of days of work per week, two hours will be charged, in addition to the actual hours, for District's additional travel and preparation time. District observed holidays are as follows: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day. If a holiday falls on Saturday, it will be observed on the previous Friday. If a holiday falls on a Sunday, it will be observed on the following Monday.

SR-7. CUSTOMER RELATIONS

Contractor agrees that its personnel and equipment shall at all times present a neat appearance; all work shall be done, all contacts with customers and all complaints handled with due regard for the District's public relations. Contractor agrees that complaints of any nature received from property owners or public authorities shall receive immediate attention.

All complaints and any action taken by the Contractor in connection with such complaints shall be reported to the District.

SR-8. DUST AND SPRAY CONTROL

The Contractor shall provide control measures to prevent dust and spray from contaminating or leaving the site. All control measures shall be satisfactory to the District.

SR-9. UTILITIES

It shall be necessary for the Contractor to make arrangements for the following services at its own expense and pay all charges accrued for same during the life of the Contract:

- Water
- Electric Service
- Telephone/Internet Access
- Sanitary convenience (Chemical toilet)
- Refuse and waste disposal

SR-10. CLEANING UP

The Contractor shall at all times keep the premises free from accumulations of waste material or rubbish caused by its employees or work, and, at the completion of the work, it shall remove all its rubbish, tools, equipment, and surplus material from and about the structures. The cleaning up of all erection remnants and debris shall be completed immediately after each of these operations is completed at each work site. The cleaning up of lunch wrappers, garbage, equipment parts, oil filters, and the like shall be done on a day-to-day basis. Fuel, oil, and equipment waste such as drain oil shall be disposed of in approved disposal areas only.

The Contractor shall restore to a satisfactory condition any land which it has disturbed to the extent that erosion or damage to property may result. If the Contractor fails to clean up, the District may do so at the Contractor's expense, and the Contractor and its surety shall be held liable therefore.

Satisfactory restoration of the land shall be completed in an orderly process as soon as practicable following the completion of each phase of the work as it progresses.

SR-11. ARCHAEOLOGICAL RESOURCES

In the event the Contractor or any of its Subcontractors inadvertently discover archaeological resources at any time during the project, Contractor shall immediately notify the District Representative and suspend all excavation activities at the site.

"Archaeological Resource" shall mean any material remains of human life or activities which are of interest. This shall include all sites, objects, structures, artifacts, implements, and locations of prehistoric or archaeological interest, whether previously recorded or still unrecognized, including, but not limited to objects pertaining to prehistoric and historic American Indian or aboriginal burials, campsites, dwellings, and their habitation sites, including rock shelters and caves, their artifacts and implements of culture such as projectile points, arrowheads, skeletal remains, grave goods, basketry, pestles, mauls and grinding stones, knives scrapers, rock carvings and paintings, and other implements and artifacts of any material or form.

The disturbance of any cairn or Native Indian grave is prohibited by the Indian Graves and Records Act (RCW 27.44).

SR-12. 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 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.

The District reserves the right to conduct or to require Contractor to conduct criminal background checks on its employee(s) before granting such individuals access to restricted areas of District facilities 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. The cost of such background checks shall be borne by the Contractor.

SR-13. 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.

CONTRACTOR SAFETY REQUIREMENTS

CS-1. PURPOSE

These Contractor Safety Requirements contain safety requirements that are in addition to those specified in the General Conditions. Section CS-2 applies to all work, whereas, Section CS-3 is specific to specialized types of work. To the extent applicable, the Contractor shall ensure that all workers, 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 stated in the Specific Requirements and/or Technical Specification sections where applicable. If there are conflicts between any of the requirements referenced in the Contract Documents, the more stringent requirement shall prevail.

CS-2. GENERAL

- A. 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 GC-4.

- 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. 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 the duration of the Contractor's warranty period.
- 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. District Rescue Team and Relation to Contractor Emergencies and Back Shift Operations
When District Rescue Team is Not Present: Contractors shall be required to submit an Emergency Plan that covers first response and rescues. This is required to be submitted for approval by the District Representative prior to work starting. Contractors are encouraged to familiarize themselves with District First Responder and Rescue Team capabilities. District Response Teams may not be available during all work hours and typically are not available on off-shifts, weekends, and District holidays. Contractors choosing not to provide their own response personnel must include a process that does not rely on the District in the event District Response Teams are not available.

CS-3. SPECIALIZED WORK

- A. Requirements for Contractor Representative Attendance at Safety Meetings: The Contractor Site Representative or other lead personnel, if requested by the District, shall be required to attend the District monthly safety meeting. The above is a District requirement.
- B. Cord Covers to High Traffic Areas: Contractors shall be required to protect all electrical cords, air lines, hydraulic hoses, water hoses, and other cords, hose, cables, and pipes to prevent them from being driven over or creating tripping or other hazards including at a minimum but not limited to utilizing cord covers in high traffic areas and installing temporary barriers when necessary to prevent foot or vehicle traffic. The above is a District requirement.
- C. Involvement in Job Briefs by Others/Involvement of Others in Contractor's Job Briefs: When work completed by the Contractor will or may affect work being completed by other contractors or by District staff, the Contractor shall ask for a representative from the other contractor or District staff to participate in the Contractor's daily job brief for the purpose of informing the other party of safety hazards that may be encountered as a result of the affected work. Job brief discussion shall include hazards that the other contractor or District staff may encounter as part of the Contractor's work, mitigation measures, clearance points and boundaries, effects that equipment taken out of service or put back into service could have on other parties, Personal Protective Equipment (PPE) requirements and contingency plans. The above is a District requirement.
- D. Temporary Traffic Control: When work activities occur within or adjacent to District access roads, the Contractor shall follow the guidelines for Temporary Traffic Control Planning as specified in the current Manual on Uniform Traffic Control Devices. The plan shall be

reviewed and approved by the District Representative prior to implementation. The above is a Code requirement.

E. Caution and Danger Barriers:

1. Caution Tape or Rope - Yellow will be used to demarcate areas with low safety hazards. Contractor employees may enter the barricade area only after identifying the hazard enclosed by the Caution barrier tape/rope.
2. Danger Tape or Rope – Red will be used to demarcate areas of imminent danger. An employee may not enter the area barricaded with Danger barrier tape/rope without consent of the barricade attendant or tape tag holder.

Contractors that will be introducing hazards as part of their work must barricade the hazardous area to prevent employees from entering the area in accordance with District Policy SA121200-POL. The above is a Code requirement.

F. Confined Spaces: Contractor shall comply with District Policy SA111103-POL. The purpose of a Permit-Required Confined Space Program is to ensure safe practices are utilized prior to and during all construction work activities in confined spaces at District work locations. The District's program is designed to prevent personal injuries, illness, and fatalities in confined spaces. As an employer, the District has developed and implemented this document to meet the written program requirements specified in OSHA regulation 29 CFR 1926 subpart AA and WAC 296-809, the Confined Spaces in Construction Standard. The above is a Code requirement.

G. Qualified Electrical Worker: For purposes of complying with Washington State law and the District's Electrical Safety Program, a Qualified Electrical Worker is defined according to the definition in WAC 296-45. The above is a Code requirement.

H. Authorized Employee: For purposes of complying with Washington State law and the District's Electrical Safety Program, an Authorized Employee is defined according to the definition in WAC 296-45. The above is a Code requirement.

TECHNICAL SPECIFICATIONS

See separate document titled “Technical Specifications 2024 District Trimming.docx” posted on the District’s ProcureWare website.

EXHIBIT “A” – BID FORM

COMPANY NAME OF BIDDER: _____
 (Full Legal Name)

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

The undersigned has examined the site, plans and specifications, laws and ordinances governing the improvements contemplated. In accordance with the terms and provisions in the foregoing, the following price is tendered as an offer to perform the work, complete in place and ready for satisfactory operation.

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

The Total Bid Price (calculated total of Bid Item Prices 1 through 16) shall be used in the Bid Evaluation. A price must be placed on each blank or the Bid shall not be considered. In case of an error in addition, the correctly calculated total of the Bid Item Prices (Estimated Quantity times Bid Unit Price) shall prevail.

Bid Item No.	Description	Unit Type	Estimated Quantity	Bid Unit Price	Bid Item Price
1	Area 1 – City of Moses Lake	Lump Sum	N/A	N/A	\$
2	Area 1A - City of Moses Lake	Lump Sum	N/A	N/A	\$
3	Area 2 - Moses Lake Rural	Lump Sum	N/A	N/A	\$
4	Area 2A - Moses Lake Rural	Lump Sum	N/A	N/A	\$
5	Area 3 - Mattawa	Lump Sum	N/A	N/A	\$
6	Area 4 - Royal Slope	Lump Sum	N/A	N/A	\$
7	Area 5 - Quincy Rural	Lump Sum	N/A	N/A	\$
8	Area 6 - City of Quincy	Lump Sum	N/A	N/A	\$
9	Area 7 - Ephrata Rural	Lump Sum	N/A	N/A	\$

Bid Item No.	Description	Unit Type	Estimated Quantity	Bid Unit Price	Bid Item Price
10	Area 8 - City of Ephrata	Lump Sum	N/A	N/A	\$
11	Area 9 - Soap Lake Rural	Lump Sum	N/A	N/A	\$
12	Area 10 - North Coulee	Lump Sum	N/A	N/A	\$
Additional Bid Items					
13	Two worker crew for tree removal and overhang removal. See Technical Specification Section 5.01.1.	Hours	10	\$	\$
14	Brush Hog Model ASVR 100 FECON or equivalent. See Technical Specification Section 4.01.1.g.	Hours	10	\$	\$
15	Three worker crew for tree trimming. See Technical Specification Section 5.01.1	Hours	10	\$	\$
16	Three worker crew for tree removal. See Technical Specification Section 5.01.1	Hours	10	\$	\$
TOTAL BID PRICE					\$

The Total Bid Price includes the cost of insurance and the Payment and Performance Bond required by Contract Documents but do not include Washington State and Local Taxes.

Bidder understands and agrees to the Insurance requirements of Section GC-18. Yes No

Payment shall be made in accordance with Section GC-12. The quantities for Bid Item No(s). 13, 14, 15 and 16 are estimated quantities. Payment shall be made by Bid Item based on the actual quantity of the Bid Items completed satisfactorily, up to the amount of the Contract Price, less the Bid Item Prices for Bid Item No(s). 1 through 12. The undersigned acknowledges and understands that the District is committing to the work detailed as Bid Items Nos. 1-12 **and may terminate this Contract after that point without incurring any additional cost (see Section SR-2).** Yes No

Prompt Payment Discount of 2% 10 days (see Section GC-2). Bidder understands and accepts the Prompt Payment Discount. Yes No

Bidder has enclosed a Cashier's Check, Certified Check or Bid Bond in accordance with Instructions to Bidders Section 10. Yes No

Bidder understands it is their responsibility to determine the locality of the work and to confirm the appropriate classification of work and most current version of the prevailing wage rates are utilized in the preparation of their Bid (see Section GC-17). Yes No

All work shall be completed by December 31, 2024. Yes No

Bidder understands and agrees to the Contractor Safety Requirements specified in these Contract Documents. Yes ___ No ___

Please see Instructions to Bidders Section 7 for Bids that take exception to these requirements.

Bidder shall submit the names of Subcontractors who shall perform the HVAC, plumbing and electrical work, and structural steel and rebar installation, or name itself in the table below, or their Bid shall be rejected. See Instructions to Bidders Section 8.A.

Name	Address	Phone	Type of Work	Percent of Bid
			HVAC	N/A
			Plumbing	N/A
			Electrical Work	N/A
			Structural Steel Installation	N/A
			Rebar Installation	N/A

The Subcontractors listed below are proposed to be employed on other portions of the work. See Instructions to Bidders Section 8. If you require additional space to list Subcontractors, please attach a separate sheet.

Name	Address	Phone	Type of Work	Percent of Bid

Bidder has been disqualified from bidding on any public works contracts under RCW 39.06.010 or 39.12.065(3). Yes ___ No ___ **MUST BE FILLED IN**

Bidder (full legal name):	
Street Address:	

Mailing Address:			
City, State, and Zip Code:			
Phone:			
Email:			
State Of Incorporation:		If not WA, does Bidder have a physical office located in the state of WA?	Yes __ No __ N/A __
<p>The District uses DocuSign to sign the final Contract Form following Contract Award. Please provide the following information for the person who will be signing the final Contract Form in the event you are the successful Bidder.</p> <p>Name: _____ Title: _____ Email: _____</p>			
Bidder Responsibility Criteria (see Instructions to Bidders Section 9)			
Contractor’s License No. (RCW 18.27, RCW 18.106, RCW 70.87, or RCW 19.28)			
Washington State Unified Business Identifier (UBI) No. / Washington State Department of Revenue State Excise Tax No. (Title 82 RCW)			
Industrial Insurance L&I Account ID (Title 51 RCW)			
Washington State Employment Security Department No. (Title 50 RCW)			
Individual, Partnership, Joint Venture, or Corporation?			
If a co-partnership, provide the name of the firm under which business is transacted.			
<p>The Bidder hereby certifies that, within the three year period immediately preceding the date of this Bid solicitation, that the Bidder is not a “willful” violator, as defined in RCW 49.48.082, of any provision of chapters 49.46, 49.48, or 49.52 RCW, as determined by a final and binding citation and notice of assessment issued by the Department of Labor and Industries or through a civil judgment entered by a court of limited or general jurisdiction.</p>			
<p>The Bidder hereby certifies that they have attended training from the department of labor and industries or a training program approved by the department of labor and industries relating to the requirements associated with public works and prevailing wage under chapter 39.04.350 RCW and chapter 39.12 RCW. Yes ___ No ___</p> <p>If no, are you on the Public Works Training Exemption List? Yes ___ No ___</p>			
<p>The Bidder hereby certifies that if awarded the public works Contract, each subcontractor, at the time of subcontract execution, shall meet the responsibility criteria listed in RCW 39.04.350(1) and possess an electrical contractor license, if required by RCW 19.28, an elevator contractor license, if required by RCW 70.87, or a plumbing contractor license, if required by RCW 18.106. Yes ___ No ___</p>			

We hereby certify that we are not required to have a Washington State UBI No. or State Excise Tax No. for this work.

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

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

I certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Signature: _____ Title: _____

Name (Print): _____ Date: _____
Authorized Representative

Location or Place Executed (City and State): _____

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

EXHIBIT "B" – BID BOND

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

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

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

PRINCIPAL

SURETY

Signature

Signature

Print Name

Print Name

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

EXHIBIT “C” – CONTRACT FORM

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

WITNESSETH:

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

1. **SCOPE OF WORK** - The Contractor agrees to furnish all, materials, equipment, machinery, tools, plant, labor, and transportation in the manner and form provided by the Contract Documents 130-12121 made a part hereof, entitled Distribution Line Tree Trimming and Removal Services to December 31, 2024.
2. **COMPLETION** - The Contractor shall perform the work within the times required by the Contract Documents, failure to do so may result in damage to the District.
3. **PAYMENT** - The District agrees to pay the Contractor for the work herein to be performed in the sum of not to exceed \$ _____, subject to the Prompt Payment Discount provision (see Section GC-2), plus applicable Washington State Sales Tax in accordance with the Contract Documents.
4. **PAYMENT AND PERFORMANCE BOND** - The Contractor shall furnish in favor of the District, a Payment and Performance Bond as required by the Contract Documents, and this Contract shall not obligate the District until such Payment and Performance Bond has been tendered.

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

Public Utility District No. 2
of Grant County, Washington

Full Legal Name of Contractor

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT "D" – PAYMENT AND PERFORMANCE BOND

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

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

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

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

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

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

Dated this _____ day of _____, 20__.

"PRINCIPAL"

Full legal company name

Signature

Print name

"SURETY"

Full legal company name

Signature

Print name

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

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

EXHIBIT "E" – CHANGE ORDER

NO. ____

Pursuant to Section GC-11, 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

Full Legal Name of Contractor

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

EXHIBIT "F" – DISTRICT INSTRUCTIONS

No. _____

Contract No.:	130-12121	Drawing No. (if applicable):	
Project Name:			

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

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

INSTRUCTION:

Sample Only

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

RECEIPT ACKNOWLEDGED AND INSTRUCTION ACCEPTED (unless CCOP is attached):

Public Utility District No. 2
of Grant County, Washington

Full Legal Name of Contractor

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

- 3. An order to proceed with preparation and submittal of Contractor Change Order Proposal Form (CCOP, Exhibit "G") immediately for change affecting Contract Price or time for completion of the work.

SUBMIT AN ITEMIZED PROPOSAL for changes in the Contract Price or time for completion of the work if you believe Instruction 3 is a modification to the Contract Documents that affects Contract Price or time for completion of the work. Within three days, the Contractor must submit a CCOP or notify the District Representative, in writing, of the date on which the CCOP submission will be completed.

EXHIBIT "G" – CONTRACTOR CHANGE ORDER PROPOSAL

No. _____

Contract No: 130-12121

Date: _____

Drawing No.: _____

To: Public Utility District No. 2 of Grant County, Washington

- A. Description of Proposal: (attach separate document/pages/drawings, etc., as needed)
- B. Proposed Contract Time of Completion Adjustment: (if any)
 - 1. Describe impact of proposal on Contract time of completion or milestone(s) (attach separate pages, documents as needed).
 - 2. Provide reason/justification for any change to the Contract completion date or required milestone date(s) including a description of circumstances leading to the event that required this proposal (attach separate pages, documents as needed).
 - 3. Provide all supporting data that will be helpful to the District in evaluating the proposed schedule change (attach separate pages, documents as needed).
 - 4. Date event occurred (if applicable) that required this proposal as well as attaching a revised project schedule showing the impact (if any) of the proposed schedule change.
- C. Proposed Contract Price Adjustment: (if any)
 - 1. Indicate proposed increase/decrease to the Contract lump sum or Contract Price.
 - 2. For any proposed Contract Price adjustment, Contractor shall provide a detailed cost breakdown, including all labor categories, hours, rates, material quantities, and equipment hours and charges (attach separate pages, documents as needed).

\$ _____ (lump sum/not to exceed)
- D. Impact to project if this Proposal is not accepted: (if any)

Note: The District shall not be liable for any payment to Contractor, or any claims arising therefrom, for any proposal, until such time as a Change Order has been approved and authorized, in writing, by the District (if ever), in accordance with Contract Section GC-11. Contractor understands and agrees that any information contained herein is in no way binding on the District or is submitted only for the purpose of evaluation by the District.

Full Legal Name of Contractor

Signature: _____

Print Name: _____

Title: _____

Date: _____

EXHIBIT "H" – CERTIFICATE OF COMPLETION AND RELEASE

FROM: _____
(Contractor)

TO: Public Utility District No. 2 of Grant County, Washington
(District)

Contract No. 130-12121, entered into the _____ day of _____, 20____.

Between Public Utility District No. 2 of Grant County, Washington and
_____ of _____, _____ for

_____ **Sample Only** _____

KNOW ALL MEN BY THESE PRESENTS:

1. The undersigned hereby certifies that there is due from and payable by the District to the Contractor under the Contract and duly approved Change Orders and modifications the balance of \$ _____.

2. The undersigned further certifies that in addition to the amount set forth in paragraph 1, there are outstanding and unsettled the following items which he claims are just and due and owing by the District to the Contractor:

- a. _____
- b. _____
- c. _____
- d. _____

(Itemize claims and amounts due - If none, so state)

3. The undersigned further certifies that all work required under this Contract including work required under Change Orders numbered _____ has been performed in accordance with the terms thereof, and that there are no unpaid claims for materials, supplies, or equipment and no claims of laborers or mechanics for unpaid wages arising out of the performance of this Contract, and that the wage rates paid by the Contractor and all Subcontractors were in conformity with the Contract provisions relating to said wage rates.

4. Except for the amounts stated under paragraphs 1 and 2, hereof, the undersigned has received from the District all sums of money payable to the undersigned under or pursuant to the above mentioned Contractor or any modification or change thereof.

Certificate of Completion and Release
Page 2

5. That in consideration of the payment of the amount stated in paragraph 1 hereof the undersigned does hereby release the District from any and all claims arising under or by virtue of this Contract, except the amount listed in paragraph 2 hereof; provided however, that if for any reason the District does not pay in full the amount stated in paragraph 1 hereof, said deduction shall not affect the validity of this release, but the amount so deducted shall be automatically included under paragraph 2 as an amount which the Contractor has not released but shall release upon payment thereof. The Contractor further certifies that upon the payment of the amount listed in paragraph 1, hereof, he shall release the District from any and all claims of any nature whatsoever arising out of said Contractor or modification thereof, and shall execute such further released or assurances as the District may request.

I certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Signature: _____ Title: _____

Name: _____ Date: _____
Authorized Representative

Location or Place Executed (City and State): _____

EXHIBIT "I" – COLLECTIVE BARGAINING AGREEMENT, SECTION 2.5

2.5 Contracting and Job Security

2.5.1

The District shall make appropriate provisions in any agreement entered into with any building trades, electrical or mechanical contractor or subcontractor, for the furnishing of work to the District, that such contractor or subcontractor shall conform to the Contract provisions of Washington State law affecting Public Utility District at the time of the contract award, except that contracts let in accordance with Section 2.5.2 shall require adherence to current wage rates. The District shall require contractors to furnish the District with the rates of wages and other employee benefits.

2.5.2

For purposes of the preceding paragraph with respect to contracts for line and substation maintenance and construction, including pole testing and tree trimming, current and prevailing wage rates, employee benefits and working conditions shall be defined as the equivalent of those expressed through collective bargaining for the Union's construction membership. Verification of payment shall be furnished to the Union by way of Contractor certified payroll documents upon request. It is agreed by the parties hereto that this requirement can be fulfilled by the contractors having an agreement with Local 77.

2.5.3

Written notice shall be given to the Union prior to the start of pending contract work.

2.5.4

It is recognized by both the Union and the District that a stable total work force is desirable. To this end, the District shall not use contracting as a reason for reduction of force. In the case of lack of work because of automation or technological change, reductions shall be made by attrition when reassignment is not feasible. Employees so affected shall not lose their established pay rate.

EXHIBIT “J” – BOND IN LIEU OF RETAINAGE

KNOW ALL MEN BY THESE PRESENTS, that we _____, as Principal, and _____, as Surety, are held and firmly bound unto Public Utility District No. 2 of Grant County, Washington (hereinafter “District”), and to any claimants eligible to file a lien or claim against monies retained by the District pursuant to RCW 60.28 (hereinafter collectively designated as “Obligees”), from monies earned by Principal in the sum stated below, to the payment of which, well and truly to be paid, we bind ourselves, or heirs, executors and successors jointly and severally, firmly by these presents.

The condition of the obligations is such that, whereas, the Principal and the District entered into a Contract for public improvement for _____ and, whereas, the Principal requested the District to accept this bond in lieu of all of the Contract retainage which the District would otherwise be required to withhold pursuant to Chapter 60.28 RCW; and whereas, the Principal has submitted to the District this bond executed by itself and the Surety, a corporation authorized to issue surety bonds in the State of Washington, in the penal sum of, \$ _____ lawful money of the United States of America, which is 5% of the Contract Price, and the Principal has requested the District, within 30 days of delivery of the bond to the District, to release the monies that would otherwise be retained; and the District has consented to permit Principal to file this bond in lieu hereof.

NOW, THEREFORE, if the Principal shall indemnify the Obligees from all loss which Obligees may suffer by virtue of the release of retainage to Principal on monies earned or to be earned, and shall pay any sum which Obligees may recover on their claims, together with costs of suit, reasonable legal fees, and interest to which the claimants may be entitled consistent with law and any claims, costs of suit and reasonable legal fees incurred by the District, then this obligation to be null and void, otherwise to be in full force and effect.

Provided: however, it is expressly understood and agreed:

1. This bond is given and accepted under and in accordance with the provisions of RCW 60.28 and is subject to all claims and liens and in the same manner and priority as set forth for retained percentages contained therein.
2. The laws of the State of Washington shall be applicable in the determination of the rights and obligations of the parties hereunder.
3. No right of action shall accrue upon or by reason hereof to, or for the use or benefit of anyone other than the Obligees herein identified.
4. The aggregate liability of the Surety under this bond for claims against this bond shall not exceed the penal sum of this bond unless change orders, changes in quantities of work or materials provided or other amendments to the Public improvement Contract increase the amount the District is required to retain, in which event the aggregate liability of the Surety shall increase by a sum equaling the increase in the Contract Price multiplied by 5%.
5. The Surety acknowledges that increases in Contract Price may occur as identified in the preceding paragraph. The Surety hereby waives any defense of lack of notice of said increases and the consequent increases in retainage released to the Principal against claims by the Obligees, or any of them.

- 6. In the event Principal fails at any time to pay persons protected under Washington law, RCW Chapter 60.28, or the District has reason to believe that the District or other Obligee has a claim against the retainage or for other good cause, the District claim against the retainage may, at its option, resume retaining from monies earned by Principal such amount as it would otherwise be entitled to retain had this bond not been accepted. Notwithstanding the District's resuming such retainage, this bond shall remain in full force and effect to the extent of its penal sum, limited to the amount of retainage released to the Principal. After Principal has paid protected persons or otherwise cured any default, the District may, at its option, again release retainage pursuant to this agreement. Notwithstanding any action the District may take pursuant to this section, Surety shall remain liable as set forth above. It shall be no defense, by Surety or Principal, against any claim under this bond that the District should have resumed retaining monies.

IN WITNESS WHEREOF, said Principal and Surety have hereunto set their hands and seal this ____ day of _____, 20__.

"PRINCIPAL"

Signature

Print Name

Attorney in Fact

"SURETY"

Signature

Print Name

Attorney in Fact

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

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

EXHIBIT “K” – NOTICE TO PROCEED

To: _____

Project Name: _____

Date of Award: _____

You are hereby notified to commence work on the above referenced project on or before _____, 20__, and you are to complete the work within _____ days thereafter. All required work, including labor and specified materials, shall be in full compliance with the terms and conditions contained in the Contract Documents referenced above, which are herein incorporated by this reference.

Sample Only

Public Utility District No. 2
of Grant County, Washington

BY: _____

William Coe
District Representative

DATE: _____

EXHIBIT “L” – MAP

See separate document titled “130-12121 Exhibit L – Map.pdf” posted on the District’s ProcureWare website. Document linked here: [130-12121 Exhibit M - Pole Location Details](#)

EXHIBIT “M” – POLE LOCATION DETAILS

See separate document titled “130-12121 Exhibit M – Pole Location Details.xlsx” posted on the District’s ProcureWare website. Document linked here: [GPUD GIS \(sharepoint.com\)](#)

EXHIBIT “O” – CONTRACTOR SAFETY REQUEST FOR INFORMATION



Contractor Safety Request for Info

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

Years in business under current company name: _____

PRINCIPAL BUSINESS ACTIVITY:

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

EXPERIENCE MODIFICATION RATE:

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

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

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

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

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

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

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

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

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

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

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

If yes, who conducts this inspection?
 How often? Daily Weekly Biweekly Monthly As Needed

Is the company a member of any external HSE program that awards certificates of recognition?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
--	------------------------------	-----------------------------

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

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

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

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

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

REVIEW/APPROVAL SIGNATURES
GRANT PUD USE ONLY

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

COMMERCIAL EVALUATION

Contract No.:	130-12121	Contract Title:	Distribution Line Tree Trimming and Removal Services to December 31, 2024
----------------------	-----------	------------------------	---

Bid Opening Date		January 25, 2024	
Total No. of Bidders:		1	
Was prequalification required for bidding?		No	
No. of potential Bidders who obtained the Bid documents:		31	
Was this Bid advertised in the newspaper?	Yes	If yes, where?	Spokesman Review & Columbia Basin Herald
Addenda issued?	Yes	If yes, how many	1

Additional Information

Engineers estimate + 15% = \$2,070,000.00

Cost Estimate:	\$1,800,000.00
-----------------------	-----------------------

Bidders

Name of Bidder:	Basin Tree Service & Pest Control, Inc.		
Total Bid Price:	\$2,069,688.45	Bid Security:	Bid Bond
Signature Certification:	Yes	Delivery / Completion:	As required
Addendum Received:	Yes	Bidder's Data Provided:	Yes
Commercially Compliant?	Yes	Technically Compliant?	Yes

Additional Information:

Technically compliant (WLC).

For Commission Review – 02/27/2024

PUBLIC UTILITY DISTRICT NO. 2 OF

GRANT COUNTY, WASHINGTON

RESOLUTION NO. XXXX

A RESOLUTION OF THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON, ESTABLISHING A LETTER OF CREDIT AND LINE OF CREDIT FACILITY AND PROVIDING FOR THE ISSUANCE AND SALE OF SUBORDINATE ELECTRIC SYSTEM REVENUE NOTES TO EVIDENCE THE DISTRICT'S OBLIGATIONS UNDER THE RELATED CREDIT AGREEMENT; PROVIDING THE FORM AND TERMS OF THE NOTES; AND AUTHORIZING OTHER MATTERS RELATED THERETO.

PASSED , 2024

PREPARED BY:

PACIFICA LAW GROUP LLP
Seattle, Washington

*Subordinate Lien Note Resolution
Electric System Revenue Notes, Series 2024-W
(establishing a revolving credit facility)*

PUBLIC UTILITY DISTRICT NO. 2 OF
GRANT COUNTY, WASHINGTON

Resolution No. XXXX

	<u>Page</u>
Section 1. Definitions.....	2
Section 2. Findings.....	8
Section 3. Authorization of Notes; Request for Draw or Request for Letter of Credit; Payment; Registration and Transfer.....	8
Section 4. Prepayment	10
Section 5. Payment of the Notes; Security.....	10
Section 6. Revenue Fund	10
Section 7. Covenants.....	11
Section 8. Additional Debt and Obligations	15
Section 9. Tax Covenants	17
Section 10. Events of Default	18
Section 11. Remedies.....	19
Section 12. Issuance and Purchase of the Notes	19
Section 13. Reporting Requirements	21
Section 14. Form of Notes	21
Section 15. Execution of Notes.....	21
Section 16. Sale of Notes; Fees.....	21
Section 17. Authorization to Officials and Agents	21
Section 18. Changes in Accounting.....	21
Section 19. Corrections.....	21
Section 20. Effective Date of Resolution.....	21

* This Table of Contents is provided for convenience only and is not a part of this resolution.

RESOLUTION NO. XXXX

A RESOLUTION OF THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON, ESTABLISHING A LETTER OF CREDIT AND LINE OF CREDIT FACILITY AND PROVIDING FOR THE ISSUANCE AND SALE OF SUBORDINATE ELECTRIC SYSTEM REVENUE NOTES TO EVIDENCE THE DISTRICT'S OBLIGATIONS UNDER THE RELATED CREDIT AGREEMENT; PROVIDING THE FORM AND TERMS OF THE NOTES; AND AUTHORIZING OTHER MATTERS RELATED THERETO.

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

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

WHEREAS, the District has issued and has outstanding certain senior parity lien obligations of the Electric System described herein (as defined herein, the "Outstanding Parity Bonds"); and

WHEREAS, the resolutions authorizing the Outstanding Parity Bonds authorize the District to issue bonds, notes, warrants, or other obligations payable from and secured by a lien on the Gross Revenue and funds of the Electric System that is subordinate to the lien on such Gross Revenue of the Outstanding Parity Bonds if certain conditions are met; and

WHEREAS, the Commission of the District (the "Commission") deems it in the best interest of the District to establish a line of credit to (a) obtain the delivery of letters of credit to satisfy the District's collateral obligations under power purchase contracts, energy hedge agreements and other contracts of the District in connection with the purchase and sale of electric energy, and (b) be available to provide loans to the District; and

WHEREAS, the District issued a request for proposals to provide a hybrid liquidity facility and received proposals in response; and

WHEREAS, the District has selected the proposal submitted by JPMorgan Chase Bank, National Association (the "Bank") as in the best interests of the District; and

WHEREAS, the Commission wishes to delegate authority to the General Manager/Chief Executive Officer, the Chief Financial Officer/Treasurer, and the Senior Manager of Treasury and Financial Planning/Deputy Treasurer of the District (each, a "Designated Representative") for a limited time, to approve and execute a Credit Agreement and to approve the interest rates (or manner of setting interest rates), maturity date, prepayment terms, and other terms for the

notes evidencing the District's obligations under the agreement within the parameters set by this resolution; and

WHEREAS, the notes shall be issued in one or more series and delivered to the Bank as set forth herein;

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

Section 1. Definitions. As used in this resolution the following words and phrases shall have the meanings herein set forth unless the context shall clearly indicate that another meaning is intended.

“Additional Bonds” means any subordinate lien debt issued on a parity with the Notes.

“Annual Debt Service” for Parity Bonds for any Fiscal Year has the meaning set forth in the Outstanding Parity Bond Resolutions.

“Annual Debt Service-Subordinate Lien Bonds” for Subordinate Lien Bonds for any Fiscal Year means the sum of the amounts required to be paid into the Bond Fund, in such Fiscal Year, to pay:

- (a) the interest due in such Fiscal Year on all outstanding Subordinate Lien Bonds, excluding interest to be paid from the proceeds of the sale of bonds;
- (b) the principal of all outstanding serial Subordinate Lien Bonds due in such Fiscal Year; and
- (c) the sinking fund requirement, if any, for such Subordinate Lien Bonds in such Fiscal Year.

Any Subordinate Lien Bonds which constitute “Balloon Indebtedness” shall be calculated as provided in the Outstanding Parity Bond Resolutions. The Notes may constitute Balloon Indebtedness for purposes of the covenants set forth herein, if determined to be in the best interest of the District.

“Bank” means JPMorgan Chase Bank, National Association, and its successors.

“Bond Counsel” means Pacifica Law Group LLP, Seattle, Washington, or any other attorney or firm of attorneys, which is admitted to practice law before the highest court of any state in the United States of America or the District of Columbia and nationally recognized and experienced in legal work relating to the issuance of municipal bonds who is or are selected by the District.

“Bond Fund” means the Subordinate Lien Electric System Revenue Bond Fund created by the District.

“Bondowners’ Trustee” means a trustee appointed pursuant to the Outstanding Parity Bond Resolutions.

“Code” means the Internal Revenue Code of 1986, as amended, and shall include all applicable regulations and rulings relating thereto.

“Commission” means the general legislative authority of the District, as duly constituted from time to time.

“Commitment Fee” has the meaning set forth in the Credit Agreement.

“Credit Agreement” means the Credit Agreement between the Bank and District related to the matters set forth herein, as it may be amended, restated or otherwise modified from time to time.

“Default” means any event or condition that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

“Default Rate” has the meaning set forth in the Credit Agreement.

“Designated Representative” means the General Manager/Chief Executive Officer, the Chief Financial Officer/Treasurer, and the Senior Manager of Treasury and Financial Planning/Deputy Treasurer and any successor to the functions of such offices. The signature of one Designated Representative shall be sufficient to bind the District.

“District” means Public Utility District No. 2 of Grant County Washington, a municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State.

“District Payments” has the meaning given in the Outstanding Parity Bond Resolutions.

“Electric System” means the electric utility and telecommunications properties, rights and assets, real and personal, tangible and intangible, now owned and operated by the District and used or useful in the generation, transmission, distribution and sale of electric energy, telecommunication services, and the business incidental thereto, and all properties, rights and assets, real and personal, tangible and intangible, hereafter constructed or acquired by the District as additions, betterments, improvements or extensions to said electric utility and telecommunications properties, rights and assets, including, but not limited to, the contract interest of the District in the P.E.C. Headworks Powerplant Project and in the Quincy Chute Project, but shall not include the Priest Rapids Project or any additions thereto, or any other generating, conservation, transmission, or distribution facilities which have been or hereafter may be acquired or constructed by the District as a utility system that is declared by the Commission, at the time of financing thereof, to be separate from the Electric System, the revenues of which may be pledged to the payment of bonds issued to purchase, construct, or otherwise acquire or expand such separate utility system or are otherwise pledged to the payment of the bonds of another such separate utility system of the District other than the Electric System. The Electric System does not include any interest of the District in contracts for the sale to other parties of power and energy from the Priest Rapids Project, but does include the right of the

District to receive power and energy from the Priest Rapids Project. The Commission may, by resolution, elect to combine with and include as a part of the Electric System any other separate utility system of the District, provided that full provision for the payment of any Outstanding indebtedness of such separate system shall first be made in the manner set forth herein or such indebtedness shall be refunded with bonds issued in accordance with this resolution.

“Event of Default” has the meaning set forth in Section 10 hereof.

“Fee Letter” means the fee letter or agreement between the Bank and the District, as it may be amended, restated or otherwise modified from time to time, if any.

“Fiscal Year” means the Fiscal Year used by the District at any time. At the time of the adoption of this resolution, the Fiscal Year is the twelve-month period beginning January 1 of each year.

“Fitch” means Fitch, Inc., and any successor rating agency.

“Future Parity Bonds” means any note, bonds or other obligations for borrowed money of the District which will have a lien upon the Gross Revenue of the Electric System for the payment of the principal thereof and interest thereon equal to the lien upon the Gross Revenue of the Electric System for the payment of the principal of and interest on the Outstanding Parity Bonds.

“Gross Revenue” means all income and revenues received by the District from the sale of electric energy through the ownership or operation of the Electric System and all other commodities, services and facilities sold, furnished or supplied by the District through the ownership or operation of the Electric System, together with the proceeds received by the District directly or indirectly from the sale, lease or other disposition of any of the properties, rights or facilities of the Electric System, and together with the investment income earned on money held in any fund or account of the District, including any bond redemption funds and the accounts therein, and federal credit payments for interest on bonds, in connection with the ownership and operation of the Electric System (but exclusive of income derived from investments irrevocably pledged to the payment of any specific revenue bonds of the District, such as bonds previously or hereafter refunded, or any revenue bonds defeased, or the payment of which is provided for, under any similar provision of any other bond resolution of the District, exclusive of investment income earned on money in any arbitrage rebate account, grants for capital purposes, assessments in any local utility district, any Reciprocal Payments, and any ad valorem tax revenues).

“Letter of Credit” means any standby and/or commercial letter of credit issued by the Bank under the Credit Agreement.

“Letter of Credit Issuance Fee” has the meaning set forth in the Credit Agreement.

“Letter of Credit Amount” means the principal (face) amount of any Letter of Credit issued under the Credit Agreement.

“Line of Credit” means the revolving line of credit issued pursuant to this resolution and the Credit Agreement.

“Moody’s” means Moody’s Investors Service, Inc. and any successor rating agency.

“Net Revenue” means, for any period, the excess of Gross Revenue over Operating Expenses for such period, excluding from the computation of Gross Revenue (a) any profit or loss derived from the sale or other disposition, not in the ordinary course of business, of properties, rights or facilities of the Electric System, or resulting from the early extinguishment of debt and (b) insurance proceeds other than proceeds to replace lost revenue.

“Note Register” means the records kept by the Registrar on behalf of the District containing the name and mailing address of each Registered Owner of the Notes or nominee of such Registered Owner, and such other information as the Registrar shall determine.

“Notes” mean the Electric System Revenue Notes, Series 2024-W (Revolving Line of Credit) of the District issued in one or more series pursuant to this resolution.

“Operating Expenses” means the District’s expenses for operation and maintenance of the Electric System and shall include ordinary repairs, renewals, replacements and reconstruction of the Electric System, all costs of delivering electric power and energy and payments into reasonable reserves in the Revenue Fund for items of Operating Expenses the payment of which is not immediately required, and shall include, without limiting the generality of the foregoing, costs of purchased power (including costs of power and energy required by any resolution or contract of the District to be taken by the District from the Priest Rapids Project for the account of the Electric System); costs of transmission and distribution operation and maintenance expenses; rents; administrative and general expenses; engineering expenses; legal and financial advisory expenses; required payments to pension, retirement, health and hospitalization funds; insurance premiums; and any taxes, assessments, payments in lieu of taxes or other lawful governmental charges, all to the extent properly allocable to the Electric System; and the fees and expenses of the Registrar. Operating Expenses shall not include any costs or expenses for new construction, interest, amortization, any allowance for depreciation and District Payments.

“Outstanding Parity Bond Resolutions” mean the resolutions authorizing the issuance of the Outstanding Parity Bonds, as applicable.

“Outstanding Parity Bonds” mean the outstanding 2017-O Bonds, the 2020-Q Bonds, the 2020-R Bonds, the 2023-U Bonds and 2023-V Bonds.

“Parity Bond Reserve Funds” mean any reserve funds and/or accounts created by the District to secure the payment of principal of and interest on one or more series of Parity Bonds.

“Parity Bonds” mean the Outstanding Parity Bonds and any Future Parity Bonds.

“Parity Lien Obligations” means all charges and obligations against Gross Revenue ranking on a parity of lien with the Parity Bonds, including but not limited to reimbursement agreement obligations so designated, any regularly scheduled District Payments, adjusted by any regularly scheduled Reciprocal Payments, and Resource Obligations for any month such

Resource Obligations are not eligible for payment as Operating Expenses. Parity Lien Obligations do not include Parity Bonds.

“Priest Rapids Development” means the utility system of the District acquired and constructed pursuant to the provisions of Resolution No. 313, adopted by the Commission on June 19, 1956, including a dam at the Priest Rapids Development, all generating and transmission facilities associated therewith, and all additions, betterments and improvements to and extensions of such system, but shall not include any additional generation, transmission and distribution facilities hereafter constructed or acquired by the District as a part of the Electric System, or any other utility properties of the District acquired as a separate utility system, the revenues of which may be pledged to the payment of bonds issued to purchase, construct or otherwise acquire such separate utility system.

“Priest Rapids Project” means the Priest Rapids Development and the Wanapum Development, which were consolidated pursuant to Resolution No. 8475.

“Professional Utility Consultant” means the independent person(s) or firm(s) selected by the District having a favorable reputation for skill and experience with electric systems of comparable size and character to the Electric System in such of the following as are relevant to the purposes for which they are retained: (a) engineering and operations and (b) the design of rates.

“R&C Fund” means the Reserve and Contingency Fund of the District created by Resolution No. 4112.

“Rate Stabilization Account” means the account within the R&C Fund.

“Rebate Amount” means the amount, if any, determined to be payable with respect to any Tax-Exempt Note by the District to the United States of America in accordance with Section 148(f) of the Code.

“Reciprocal Payments” has the meaning given in the Outstanding Parity Bond Resolutions.

“Registered Owner” means the person named as the registered owner of the Notes in the Note Register, which shall initially be the Bank.

“Registrar” means the registrar, authenticating agent, paying agent, and transfer agent appointed pursuant to this resolution, its successor or successors and any other entity which may at any time be substituted in its place pursuant to this resolution.

“Request for Draw” means a written request by a Designated Representative in substantially the form of the borrowing request attached to the Credit Agreement.

“Request for Letter of Credit” means a written request by a Designated Representative for the issuance of a Letter of Credit, in the form as required by the Bank from time to time.

“Resource Obligation” has the meaning set forth in the Outstanding Parity Bond Resolutions.

“Revenue Fund” means the Electric System revenue fund of the District.

“Rule” means the SEC’s Rule 15c2-12 under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“S&P” means S&P Global Ratings, and any successor rating agency.

“SEC” means the Securities and Exchange Commission.

“Special Tax Counsel” means Nixon Peabody LLP, or an attorney at law or firm of attorneys, selected by the District, of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on bonds issued by states and their political subdivisions.

“State” means the State of Washington.

“Subordinate Lien Bonds” means the Notes and any Additional Bonds.

“Tax Certificate” means the tax certificate executed by a Designated Representative pertaining to any Tax-Exempt Note.

“Taxable Note” means any Note of a series or draw on a Note determined to be issued or drawn, as applicable, on a taxable basis pursuant to this resolution.

“Tax-Exempt Note” means any Note of a series or draw on a Note determined to be issued or drawn, as applicable, on a tax-exempt basis under the Code pursuant to this resolution.

“Treasurer” means the duly appointed and acting Treasurer of the District or any successor in function.

“Wanapum Development” means the second stage of the Priest Rapids Hydroelectric Project (F.P.C. (or FERC) Project No. 2114), as more fully described in Section 2.2 of Resolution No. 474 adopted by the Commission on June 30, 1959, or as the same may be modified in accordance with Section 2.3 of Resolution No. 474, but shall not include any generation, transmission and distribution facilities hereafter constructed or acquired by the District as a part of the Electric System, or any other utility properties of the District acquired as a separate utility system, the revenues of which may be pledged to the payment of bonds issued to purchase, construct or otherwise acquire such separate utility system.

“2017-O Bonds” means the District’s Electric System Revenue Refunding Bonds, Series 2017-0 authorized by Resolution No. 8866.

“2020-Q Bonds” means the District’s Electric System Revenue Refunding Bonds, Series 2020-Q (Taxable) authorized by Resolution No. 8933.

“2020-R Bonds” means the District’s Electric System Revenue Refunding Bonds, Series 2020-R (Mandatory Put Bonds) authorized by Resolution No. 8947.

“2023-U Bonds” mean the District’s Electric System Revenue Refunding Bonds, Series 2023-U authorized by Resolution No. 9019.

“2023-V Bonds” mean the District’s Electric System Revenue Refunding Bonds, Series 2023-V authorized by Resolution No. 9031.

Section 2. Findings.

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

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

(c) *Best Interests of the District.* The Commission hereby finds and determines that it is in the best interests of the District that the District issue the Notes authorized herein for the purpose of establishing a line of credit to (1) obtain the delivery of letters of credit to satisfy the District’s collateral obligations under power purchase contracts, energy hedge agreements and other contracts of the District in connection with the purchase and sale of electric energy, and (2) to be available to provide loans to the District.

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

(a) *Issuance of Notes.* For the purpose of (1) providing liquidity for District purposes, and (2) providing support for Letters of Credit to be issued by the Bank in support of power purchase contracts, energy hedge agreements and other contracts of the District within the District’s primary business of the purchase, generation, transmission, distribution and sale of electric energy, the District hereby establishes a revolving credit facility. To evidence such revolving credit facility, the District authorizes the issuance of one or more series of its subordinate lien electric system revenue notes as described herein (the “Notes”).

The Notes shall be issued in one or more series in the aggregate principal amount of not to exceed \$20,000,000 outstanding at any time to evidence the District’s obligations under this resolution and the Credit Agreement; provided, however, the aggregate principal amount of the Notes may be increased to an amount not to exceed \$50,000,000 outstanding at any time upon

agreement by the District and the Bank, and upon satisfaction of the terms and conditions set forth in the Credit Agreement. The Commission authorizes each Designated Representative to increase the available aggregate principal amount of the Notes to an amount not to exceed \$50,000,000. Such increase shall not require additional Commission approval so long as it is consistent with the terms of this resolution and the Credit Agreement.

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

The Notes shall be designated as “Public Utility District No. 2 of Grant County, Washington, Electric System Revenue Notes, Series 2024-W (Revolving Line of Credit),” with additional series or other description as determined by a Designated Representative, shall be dated as of the date of delivery thereof to the Bank, and shall mature on the Maturity Date (as defined in the Credit Agreement), subject to the terms and conditions of the Credit Agreement. The maturity date of the Notes may be extended upon agreement by the District and the Bank, and upon satisfaction of the terms and conditions set forth in the Credit Agreement. The Commission authorizes each Designated Representative to extend the maturity date for the Notes as provided in the Credit Agreement. Such extension shall not require additional Commission approval so long as it is consistent with the terms of this resolution and the Credit Agreement.

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

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

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

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

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

Section 4. Prepayment. The District may prepay the amount outstanding under the Notes in whole or in part at any time by paying the principal amount thereof to be prepaid together with accrued interest to the date of prepayment as provided in the Credit Agreement.

Section 5. Payment of the Notes; Security. The Notes are special obligations of the District payable solely from Net Revenues. The District hereby grants a pledge of and lien on the Net Revenues for the payment of amounts outstanding under the Notes and such amounts shall be a charge upon and shall be payable, as to the principal thereof and interest thereon from and secured by a lien upon the Net Revenues. The Notes are special obligations of the District payable solely out of a special fund of the District previously established and designated the Subordinate Lien Electric System Revenue Bond Fund (the "Bond Fund"). Amounts on deposit in the Bond Fund shall be drawn upon only for the purpose of paying the principal of and interest on the Subordinate Lien Bonds (including the Notes) on a ratable basis as such amounts become due and payable.

The District hereby covenants that on or before an installment of interest or principal on amounts outstanding under the Notes are due, it will deposit in the Bond Fund amounts out of the Revenue Fund as shall be necessary, when added to other amounts paid into the Bond Fund, to pay the interest and principal due on amounts outstanding under the Notes as the same becomes due. The Subordinate Lien Bonds shall have a lien on Net Revenues, which lien is subordinate solely to the outstanding Parity Bonds and Parity Lien Obligations.

There is no debt service reserve, other reserve fund or credit enhancement securing repayment of the Notes. The Notes shall not constitute a general obligation or pledge of the faith and credit of the District or debt or pledge of the faith and credit of the State or any other municipal corporation or political subdivision thereof or a debt of any other system of the District except the Electric System.

Section 6. Revenue Fund. The District covenants that it will pay all Gross Revenues into the Revenue Fund as promptly as practicable after receipt thereof. The District further covenants that for so long as the Notes (or amounts outstanding thereunder) shall be outstanding, all of such money shall be used only for the following purposes and in the following order of priority:

(a) to pay Operating Expenses and Resource Obligations (to the extent payable as Operating Expenses);

(b) to make all payments required to be made into the bond fund(s) for the Parity Bonds for the payment of accrued interest on such Parity Bonds on the next interest payment date and to make any District Payments;

(c) to make all payments required to be made into the bond fund(s) for the Parity Bonds for the payment of the principal amount of serial bonds next coming due, and for the optional or mandatory redemption of term bonds, for such Parity Bonds;

(d) to make all payments required to be made into the Parity Bond Reserve Funds for any Parity Bonds, or to meet a reimbursement obligation with respect to any qualified insurance or qualified letter of credit or other credit enhancement device, if so required by resolution of the Commission;

(e) to make all payments required to be made into the Bond Fund for the payment of accrued interest on the Subordinate Lien Bonds on the next interest payment date;

(f) to make all payments required to be made into the Bond Fund for the payment of the principal amount of the Subordinate Lien Bonds next coming due; and

(g) to make all payments required to be made into any special fund or account created to pay or secure the payment of the principal of and interest on any revenue bonds, warrants or other revenue obligations of the District having a lien upon Gross Revenue and money in the Revenue Fund, bond fund for the Parity Bonds and Bond Fund and accounts therein subordinate and inferior to the lien thereon for the payment of the principal of and interest on the Parity Bonds and the Subordinate Lien Bonds, including any payments other than debt service owed.

After all of the above payments and credits have been made, amounts remaining in the Revenue Fund may be used for any other lawful purpose of the District.

Resource Obligations, not payable as Operating Expenses, shall be paid on a parity with the Parity Bonds as provided in subsections (b) and (c) above.

The District may from time to time deposit Net Revenues into the Rate Stabilization Account in the R&C Fund and may from time to time withdraw amounts therefrom to enhance rate stability or for other lawful purposes of the District related to the Electric System. Solely for purposes of calculating the coverage requirements set forth in Sections 7(b) and 8(d), there shall be added to the Net Revenue in any year any amount withdrawn from the Rate Stabilization Account in such calendar year and deposited in the Revenue Fund, and there shall be subtracted from Net Revenue in any year any amount withdrawn from the Revenue Fund and deposited in the Rate Stabilization Account.

Section 7. Covenants.

(a) *General Rate Covenant.* The District shall establish, maintain and collect rates or charges for electric energy sold through the ownership or operation of the Electric System, and all other commodities, services and facilities sold, furnished or supplied by the District in connection with the ownership or operation of the Electric System that shall be fair and nondiscriminatory and adequate to provide Gross Revenue, together with other available money,

including without limitation transfers from the R&C Fund, sufficient for the payment of the principal of and interest on all outstanding Parity Bonds and Subordinate Lien Bonds, and for the proper operation and maintenance of the Electric System, and all necessary repairs, replacements and renewals thereof, the working capital necessary for the operation thereof, and for the payment of all amounts that the District may now or hereafter become obligated to pay from Gross Revenue, including any indebtedness of the District issued on a basis subordinate to the Notes.

In the resolutions authorizing the bonds for the Priest Rapids Project, the District has covenanted to pay to the Priest Rapids Project from the Electric System that portion of the annual costs of the Priest Rapids Project for such Fiscal Year, including without limitation for operating expenses and annual debt service due on bonds issued for the Priest Rapids Project, that is not otherwise paid or provided for from payments received by the Priest Rapids Project from the sale of power and energy and related products from the Priest Rapids Project to purchasers other than the District and to establish, maintain and collect rates or charges for electric power and energy and related products sold through the Electric System sufficient to make any such payments to the Priest Rapids Project. To the extent the obligation of the Electric System to pay any costs of the Priest Rapids Project are not Operating Expenses, they shall rank as a lien and charge against the revenues of the Electric System subordinate in rank to all other obligations of the Electric System. Payments made by the Electric System for the costs of purchased power and energy shall be an Operating Expense of the Electric System.

(b) *Coverage Requirement.* Rates and charges collected by the District shall be sufficient to provide Net Revenue, taking into account any transfers to or from the R&C Fund, in any Fiscal Year hereafter in an amount equal to at least

(1) 1.25 times the Annual Debt Service due in such Fiscal Year on the Parity Bonds, excluding any capitalized interest thereon in said Fiscal Year,

(2) 1.10 times the interest due in such Fiscal Year on any Subordinate Lien Bonds, that (A) mature in five years or less (not taking into account any term-out), (B) do not amortize and have principal that is all due on their maturity date, and (C) for which the District has agreed to issue debt to repay such bonds prior to their maturity date, and

(3) 1.10 times the Annual Debt Service – Subordinate Lien Bonds due in such Fiscal Year on all other Subordinate Lien Bonds.

The failure to collect Gross Revenue in any Fiscal Year sufficient to comply with the covenant contained in this section shall not constitute an Event of Default if the District, before the 90th day of the following Fiscal Year, both

(A) employs a Professional Utility Consultant to recommend changes in the District's rates which are estimated to produce Gross Revenue sufficient (once the rates recommended by the Professional Utility Consultant have been imposed by the District) to meet the requirements of this section; and

(B) imposes rates at least as high as those recommended by such Professional Utility Consultant at the time or times so recommended.

(c) *Operations of Electric System.* The District will at all times maintain, preserve and keep the Electric System and all additions and betterments thereto and extensions thereof and every part and parcel thereof in good repair, working order and condition, and will from time to time make all necessary and proper repairs, renewals, replacements, extensions and betterments thereto so that at all times the business carried on in connection therewith shall be properly and advantageously conducted, and the District will at all times operate such properties and the business in connection therewith in an efficient manner and at reasonable cost.

(d) *Sale or Disposition.* The District will not sell, mortgage, lease or otherwise dispose of or encumber all or any portion of the Electric System properties, or permit the sale, mortgage, lease or other disposition thereof, except as hereinafter provided in this subsection (d).

(1) The District may sell, lease or otherwise dispose of all or substantially all of the Electric System, provided that simultaneously with such sale, lease or other disposition, the District shall cause the Notes (and all amounts outstanding thereunder) and all other obligations under the Credit Agreement to be, or deemed to be, no longer outstanding and to be paid in full.

(2) Except as provided in the last paragraph of this subsection, the District will not sell, mortgage, lease or otherwise dispose of any part of the Electric System in excess of 5% of the value of the net utility plant of the Electric System in service unless prior to such sale, mortgage, lease or other disposition:

(A) there shall have been filed with the Secretary of the Commission a certificate of a Professional Utility Consultant stating that such sale, mortgage, lease or other disposition will not impair the ability of the District to comply with the covenants set forth in Sections 7(a) and (b) of this resolution; or

(B) the proceeds of such disposition are used to acquire new operating properties of the Electric System or provision is made for the payment, redemption or other retirement of a principal amount of the Subordinate Lien Bonds equal to the greater of the following amounts:

(I) an amount which will be in the same proportion to the net principal amount of the Subordinate Lien Bonds then outstanding (defined as the total principal amount of such bonds then outstanding less the amount of cash and investments in the Bond Fund) that the Gross Revenues attributable to the part of the Electric System sold or disposed of for the 12 preceding months bear to the total Gross Revenues for such period; or

(II) an amount which will be in the same proportion to the net principal amount of the Subordinate Lien Bonds then outstanding that the book value of the part of the Electric System sold or disposed of bears to the book value of the entire Electric System immediately prior to such sale or disposition.

The District may sell or otherwise dispose of any part of the Electric System which shall have become unserviceable, inadequate, obsolete or unfit to be used in the operation of the Electric System, or no longer necessary, material to or useful in such operation.

(e) *Insurance.* The District will keep the works, plants, properties and facilities comprising the Electric System insured, and will carry such other insurance, with responsible insurers, with policies payable to the District, against risks, accidents or casualties, at least to the extent that insurance is usually carried by municipal corporations operating like properties; provided, however, that the District may, if deemed necessary and advisable by the Commission, institute or continue a self-insurance program with respect to any or all of the aforementioned risks.

(f) *Books and Accounts.* The District shall keep proper books of account in accordance with generally accepted accounting principles as applied to governmental entities and with the rules and regulations prescribed by the Division of Municipal Corporations of the State Auditor's office of the State, or other State department or agency succeeding to such duties of the State Auditor's office, and if no such rules or regulations are prescribed as aforesaid, then in substantial accordance with the uniform system of accounts prescribed by the Federal Energy Regulatory Commission or other federal agency having jurisdiction over electric public utility companies owning and operating properties similar to the properties of the District, whether or not the District is at the time required by law to use such system of accounts. The District shall cause its books of account to be audited annually by the State Auditor's office or other State department or agency as may be authorized and directed by law to make such audits, or if such an audit shall not be made for twelve months after the close of any Fiscal Year of the District, by independent certified public accountants. In keeping said books of account, the District shall accrue depreciation monthly thereon on its depreciable properties in accordance with the accounting practice prescribed by the public departments or agencies above mentioned. All calculations, classifications and other financial determinations required by this resolution shall be made in accordance with the accounting practices then being observed by the District. The District will permit any person designated by the Bank (at the expense of the Bank, unless and until a Default or Event of Default has occurred, at which time such expenses shall be borne by the District) to visit any of the offices of the District to examine the books and financial records (except books and financial records the examination of which by the Bank is prohibited by law or by attorney or client privilege), including minutes of meetings of any relevant governmental committees or agencies, and make copies thereof or extracts therefrom, and to discuss the affairs, finances and accounts of the District with their principal officers, employees and independent public accountants, all at such reasonable times and as often as the Bank may reasonably request.

(g) *Free Service.* Except as required or permitted by law, the District will not furnish or supply or permit the furnishing or supplying of electric energy or any other commodity, service or facility furnished by or in connection with the operation of the Electric System, free of charge to any person, firm or corporation, public or private, so long as any Subordinate Lien Bonds are outstanding and unpaid, and to the extent permitted by law the District will promptly enforce the payment of any and all accounts owing to the District and delinquent; provided, that, to the extent permitted by law, the District may lend money and may provide commodities, services or facilities free of charge or at a reduced charge in connection with a plan of conservation of electric energy adopted by the Commission.

(h) *FERC License.* The District will use its best efforts to retain the FERC License for the Priest Rapids Project.

(i) *Dissolution or Termination.* The District shall not dissolve or terminate its existence without paying or providing for the payment of all Parity Bonds then Outstanding.

(j) *Amendment to Resolution.* This resolution may be amendment with the consent of the Bank.

(k) *Fees and Costs.* The District shall pay the Bank a nonrefundable Commitment Fee from and including the issuance date of the Notes to and including the maturity or termination of the Bank's commitment under the Credit Agreement in the amount(s) set forth in the Credit Agreement, the Letter of Credit Issuance Fee upon delivery, termination or modification of a Letter of Credit pursuant to the Credit Agreement, and any other fees and costs as provided in the Fee Letter.

Section 8. Additional Debt and Obligations.

(a) *Parity Bonds.* The District reserves the right to issue additional Parity Bonds if it meets the conditions to such issuance set forth in the Outstanding Parity Bond Resolutions. The resolutions authorizing the Parity Bonds and Subordinate Lien Bonds shall not permit acceleration or other event or circumstance whereby the principal of such obligations becomes immediately due and payable as a remedy upon an event of default.

(b) *Resource Obligation.* The District may enter into or incur a Resource Obligation pursuant to a resolution of the Commission provided that the requirements set forth in the resolutions authorizing the outstanding Parity Bonds shall be met at the time of adoption of such resolution.

The District shall not hereafter enter into any agreement, other than a Resource Obligation, obligating the District to pay to another person, entity or separate system of the District, from Gross Revenue, for (i) generating or transmission capacity or energy or the use or lease of generating or transmission facilities, under which agreement payment is not conditioned on the availability of such capacity, energy or facility, or (ii) the installment purchase or lease of property which, whether or not subject to annual appropriations, otherwise transfers to the District the burdens and benefits of ownership of such property, unless such agreement specifically states that the obligation of the District thereunder is subordinate to the obligation of the District to make payments from the Revenue Fund into the Bond Fund. This paragraph shall not be applicable to, and shall not restrict the District in entering into, any agreement relating to the Priest Rapids Project or any other hydroelectric facility owned and operated by the District.

(c) *Separate Systems.* Nothing in this resolution shall prevent the District from entering into contracts to purchase energy, capacity, capability, reserves, conservation or services or from authorizing and issuing bonds, notes, certificates or other obligations or evidences of indebtedness, including debt of the Priest Rapids Project, to acquire or construct facilities or resources for the generation of power and energy, or for the conservation, transformation or transmission of power and energy, and any incidental properties to be constructed or acquired in connection therewith, which facilities or resources shall be a separate system, provided that such contractual obligations, bonds or other obligations or evidences of indebtedness shall be payable

solely from the revenues or other income derived from the ownership or operation of such separate system.

(d) *Additional Bonds on a Parity with the Notes.* The District covenants that debt on a parity with the Notes (“Additional Bonds”) shall be issued only upon compliance with the following conditions:

(1) That at the times of the issuance of such Additional Bonds there is no deficiency in the Bond Fund and no Event of Default has occurred and is continuing.

(2) That the Net Revenue of the Electric System for any 12 consecutive months out of the 24 months next preceding the issuance of the Additional Bonds (not including any transfer from the R&C Fund), will equal at least

(A) 1.10 times the interest due in such Fiscal Year and each Fiscal Year thereafter on the Subordinate Lien Bonds then outstanding and any proposed Additional Bonds that (i) mature in five years or less, (ii) do not amortize and have principal that is all due on their maturity date, and (iii) for which the District has agreed to issue debt to repay such bonds prior to their maturity date, and

(B) 1.10 times the Annual Debt Service – Subordinate Lien Bonds due in such Fiscal Year and each Fiscal Year thereafter on all other Subordinate Lien Bonds then outstanding and any proposed Additional Bonds.

In making the calculations for purposes of this subsection (2), if the interest rate on the outstanding Subordinate Lien Bonds and any Additional Bonds is other than a fixed rate, the rate used shall be any rate published as the Bond Buyer Revenue Bond Index for municipal revenue bonds within the 30-day period prior to the date of such calculation. If such index is no longer published, another nationally recognized index for municipal revenue bonds maturing in 20 to 30 years may be used. If on the date of such calculation the interest rate on any variable rate bonds shall then be fixed for a specified period, including pursuant to a derivative product, the interest rate used for such specified period for the purpose of the foregoing calculation shall be such actual interest rate.

For the purposes of this subsection (2), the “Net Revenue of the Electric System” may be adjusted as follows:

(A) To include a full 12 months of Net Revenue from any customers added during the 12-month period being considered.

(B) To include the annual estimated Net Revenue to be received as a result of any additions, betterments and improvements to and extensions of the Electric System to be acquired, constructed or installed by the District from the proceeds of the Additional Bonds to be issued or under construction at the time of such certificate.

(C) To include the additional Net Revenue which would have been received by the District if any rate change adopted prior to the delivery of the Additional Bonds,

but subsequent to the beginning of the 12-month period being considered, had been in force during the full 12-month period.

(3) That at or prior to the time of the issuance of such Additional Bonds the District shall obtain and have on file a certificate from the Treasurer which shall certify full compliance with conditions (1) and (2) of this subsection, or in the alternative the District obtains a certificate from a Professional Utility Consultant stating that the projected annual Net Revenue for the Fiscal Years in which the Notes, and Additional Bonds that mature in five years or less and for which the District has pledged to issue debt to repay such bonds prior to their maturity are expected to at least equal 1.10 times the interest required to be paid in any Fiscal Year thereafter and that the projected annual Net Revenue for the Fiscal Years in which all other Additional Bonds are expected to at least equal 1.10 times the interest required to be paid in any Fiscal Year thereafter. Such certificate shall have attached thereto financial statements of the District for the period upon which the same is based and audits by the Division of Municipal Corporations of the State Auditor's Office of the State or from an independent certified public accountant for as many fiscal years within such period as such audits have been made and completed.

In the event that any Additional Bonds provided for in this section are issued for the sole purpose of exchanging with or providing funds to purchase or refund or redeem and retire at or prior to their maturity any or all of the outstanding Subordinate Lien Bonds and the issuance of such refunding Additional Bonds will not require a greater amount (except as necessary to round out maturities to the nearest \$5,000) to be paid in any Fiscal Year thereafter than would have been required to be paid in the same Fiscal Year for debt service on the bonds being refunded, then subsections (2) and (3) need not be complied with to permit such refunding Additional Bonds to be issued.

(c) *Obligations Subordinate to the Subordinate Lien Bonds.* The District may issue bonds, notes, warrants or other obligations payable from and secured by a lien on the Gross Revenue and funds of the Electric System that is subordinate to the lien on such Gross Revenue as the Subordinate Lien Bonds as long as such debt is not subject to acceleration, mandatory tender or mandatory prepayment, and may create a special fund or funds for payment of such subordinate obligations.

(d) *Derivative Products.* To the extent permitted by state law, the District may enter into derivative products on a parity with the Parity Bonds subject to the conditions set forth in the resolutions authorizing the outstanding Parity Bonds.

Section 9. Tax Covenants. The District hereby covenants to comply with all applicable requirements set forth in the Code to the extent that such compliance shall be necessary to maintain the exclusion from gross income for federal income taxes of the interest on any Tax-Exempt Note. The District hereby further covenants to observe all applicable requirements in any future federal tax legislation to the extent that such compliance is determined by the District to be legal and practicable and required for such exemption.

The District will pay the Rebate Amount, if any, to the United States of America at the times and in the amounts necessary to meet the requirements of the Code to maintain the

exclusion from gross income for federal income taxes of the interest on any Tax-Exempt Note, in accordance with the Tax Certificate.

The covenants of this section will survive payment in full or defeasance of any Tax-Exempt Note.

Section 10. Events of Default. The Commission of the District hereby finds and determines that the continuous operation of the Electric System and the collection, deposit and disbursement of the Gross Revenue in the manner provided in this resolution are essential to the payment and security of the Notes (and all amounts outstanding thereunder), and the failure or refusal of the District to perform the covenants and obligations contained in this resolution will endanger the necessary continuous operation of the Electric System and the application of the Gross Revenue to the purposes set forth in this resolution.

The District hereby covenants and agrees with the Registered Owners of the Notes, in order to protect and safeguard the covenants and obligations undertaken by the District securing the Notes (and all amounts outstanding thereunder), that the following shall constitute “Events of Default”:

(a) If default shall be made in the due and punctual payment of the principal of and premium, if any, on the Notes (or any principal amount outstanding thereunder) when the same shall become due and payable, either at maturity or by proceedings for mandatory distribution or otherwise;

(b) If default shall be made in the due and punctual payment of interest on the Notes (or any interest on any principal amount outstanding thereunder) when the same shall be due and payable;

(c) If the District shall default in the observance and performance of any other of the covenants, conditions, and agreements on the part of the District contained in this resolution and such default or defaults shall have continued for a period of 90 days after the District shall have received from the Bank a written notice specifying and demanding the cure of such default;

(d) If the District shall (except as herein permitted) sell, transfer, assign, or convey any properties constituting the Electric System or interests therein, or any part or parts thereof, or shall make any agreement for such sale or transfer (except as expressly authorized herein);

(f) If an order, judgment or decree shall be entered by any court of competent jurisdiction: (1) appointing a receiver, trustee, or liquidator for the District or the whole or any substantial part of the Electric System; (2) approving a petition filed against the District seeking the bankruptcy, arrangement, or reorganization of the District under any applicable law of the United States or the State; or (3) assuming custody or control of the District or of the whole or any substantial part of the Electric System under the provisions of any other law for the relief or aid of debtors and such order, judgment or decree shall not be vacated or set aside or stayed (or, in case custody or control is assumed by said order, such custody or control shall not be otherwise terminated) within 60 days from the date of the entry of such order, judgment or decree; or

(g) If the District shall: (1) admit in writing its inability to pay its debts generally as they become due; (2) file a petition in bankruptcy or seeking a composition of indebtedness under any state or federal bankruptcy or insolvency law; (3) make an assignment for the benefit of its creditors; (4) consent to the appointment of a receiver of the whole or any substantial part of the Electric System; or (5) consent to the assumption by any court of competent jurisdiction under the provisions of any other law for the relief or aid of debtors of custody or control of the District or of the whole or any substantial part of the Electric System.

(h) An Event of Default (as defined in the Credit Agreement) shall have occurred under the Credit Agreement.

Section 11. Remedies. Upon the happening of an Event of Default and during the continuance thereof, the Bank may take such steps and institute such suits, actions, or other proceedings, all as it may deem appropriate for the protection and enforcement of the rights of the Registered Owners of the Notes, to collect any amounts due and owing to or from the District, or to obtain other appropriate relief, and may enforce the specific performance of any covenant, agreement, or condition contained in this resolution or in any of the Notes.

Upon the happening of an Event of Default, (i) the Notes shall bear interest at the Default Rate, if and to the extent provided for in the Credit Agreement and (ii) the Notes shall be payable at the times, in the manner and in the amounts as provided for in the Credit Agreement.

Nothing contained in this resolution shall, in any event or under any circumstance, be deemed to authorize the acceleration of maturity of principal on the Notes, and the remedy of acceleration is expressly denied to the Registered Owners of the Notes under any circumstances including, without limitation, upon the occurrence and continuance of an Event of Default.

No delay or omission of the Bank to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such Event of Default or to be an acquiescence therein; and every power and remedy given by this Article to the Bank may be exercised from time to time and as often as may be deemed expedient by the Bank.

No remedy conferred by this resolution upon or reserved to the Bank is intended to be exclusive of any other remedy, but each remedy shall be cumulative and shall be in addition to every other remedy given under this resolution or existing at law or in equity or by statute on or after the date of adoption of this resolution.

Section 12. Issuance and Purchase of the Notes. The Notes shall be deemed to be sold to the Bank pursuant to the terms of this resolution and the Credit Agreement. The Commission has determined that it would be in the best interest of the District to delegate to the Designated Representatives for a limited time the authority to determine to approve and execute a Credit Agreement and to approve the interest rates (or manner of setting interest rates), maturity dates, prepayment terms, taxable or tax-exempt status, and other terms for the Notes evidencing the District's obligations under the Credit Agreement within the parameters set by this resolution. The final determination of the terms for the Notes shall be set forth in the Credit Agreement to be signed by a Designated Representative.

The Designated Representatives are each hereby authorized to make such determinations with respect to the Notes so long as:

- (a) the aggregate principal amount (face amount) of all Notes issued pursuant to this resolution does not exceed \$20,000,000, except as such amount may be increased pursuant to Section 3(a) hereof;
- (b) the Notes mature on the Maturity Date (as defined in the Credit Agreement), subject to the terms and conditions of the Credit Agreement, including possible extension as provided in Section 3(a) hereof;
- (c) the Notes are issued (in the aggregate) at a price of par; and
- (d) the Notes conform to all other terms of this resolution.

Subject to the terms and conditions set forth in this section, the Designated Representatives are each hereby authorized to execute the Credit Agreement and any amendment to such agreement pursuant to Section 3(a) hereof.

Following the execution of the Credit Agreement, a Designated Representative shall provide a report to the Commission describing the final terms of the Notes approved pursuant to the authority delegated in this section. The authority granted to the Designated Representatives by this section regarding the initial issuance of the Notes shall expire September 1, 2024. If the Notes authorized herein has not been issued by September 1, 2024, and a Credit Agreement has not been executed by such date, the Notes shall not be issued nor its sale approved unless such Notes shall have been re-authorized by resolution of the Commission. The resolution re-authorizing the issuance and sale of such Notes may be in the form of a new resolution repealing this resolution in whole or in part or may be in the form of an amendatory resolution approving a note purchase contract and/or Credit Agreement or establishing terms and conditions for the authority delegated under this section.

Upon the passage and approval of this resolution, the proper officials of the District including the Designated Representatives, are authorized and directed to undertake all action necessary for the prompt execution and delivery of the Notes to the Bank and further to execute all closing certificates, agreements, loan agreements, and documents required to effect the closing and delivery of the Notes, including but not limited to a Fee Letter, in accordance with the terms of the this resolution and the Credit Agreement. Each Designated Representative and other officers of the District are further authorized to execute such documents, including but not limited to an amendment to the Credit Agreement and/or a replacement Note certificate, as necessary to carry out an increase to the available principal amount and/or an extension of the maturity date of the Notes as set forth in Section 3(a) of this resolution.

Section 13. Reporting Requirements. The Notes are exempt from ongoing disclosure requirements of the Rule. The District shall furnish to the Bank certain information respecting the affairs, condition and/or operations, financial or otherwise, of the District as set forth in the Credit Agreement and/or as may be reasonably requested by the Bank from time to time.

Section 14. Form of Notes. The Notes shall be in substantially the form set forth in the Credit Agreement.

Section 15. Execution of Notes. The Notes shall be signed in the corporate name of the District with the manual or facsimile signature of the President of the Commission and attested by the manual or facsimile signature of the Secretary of the Commission. The seal of the District shall be impressed on the Notes. In case either of the officers who shall have executed the Notes shall cease to be an officer or officers of the District before the Notes so signed shall have been issued by the District, the Notes may nevertheless be delivered and issued and upon such delivery and issuance shall be as binding upon the District as though those who signed the same had continued to be such officers of the District. The Notes may also be signed and attested on behalf of the District by such persons as at the actual date of execution of such Notes shall be the proper officers of the District although at the original date of such Notes any such person shall not have been such Officer of the District.

Section 16. Sale of Notes; Fees. The issuance of the Notes to the Bank under the terms and conditions of this resolution is hereby approved and confirmed. Upon delivery of the Notes, the District is hereby authorized to pay fees associated with the issuance of the Notes, including reasonable fees of the Bank and Bank's counsel.

Section 17. Authorization to Officials and Agents. The appropriate District officials, agents and representatives are hereby authorized and directed to do everything necessary for the prompt issuance, execution and delivery of the Notes.

Section 18. Changes in Accounting. The calculation of certain covenants and compliance therewith may be made solely with reference to this resolution without regard to future changes in generally accepted accounting principles. If the District has changed one or more of the accounting principles used in the preparation of its financial statements, because of a change in generally accepted accounting principles or otherwise, then a default relating to such covenants shall not be considered an Event of Default hereunder if such calculations would have been complied with had the District continued to use those accounting principles employed at the date of the most recent audited financial statements prior to the date of this resolution.

Section 19. Corrections. Upon approval of the District's General Counsel, Special Tax Counsel, and Bond Counsel, the District Secretary is hereby authorized to make necessary corrections to this resolution, including but not limited to the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; numbering and section/subsection numbering; and other similar necessary corrections.

Section 20. Effective Date of Resolution. This resolution shall be in effect from and after its adoption in accordance with law.

ADOPTED by the Commission of Public Utility District No. 2 of Grant County, Washington, at a regular meeting thereof this [redacted] day of [redacted], 2024.

PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON

By: _____
President and Commissioner

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

Title: _____

CERTIFICATION

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

1. That the attached is a true and correct copy of Resolution No. [REDACTED] (the "Resolution") of the Commission, duly adopted at a regular meeting thereof held on the [REDACTED] day of [REDACTED], 2024.

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

Dated this [REDACTED] day of [REDACTED], 2024.

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

MEMORANDUM

February 13, 2024

TO: Richard Wallen, General Manager/Chief Executive Officer

VIA: Bonnie Overfield, Chief Financial Officer
John Mertlich, Managing Director of Energy Supply Management
Angelina Johnson, Senior Manager of Treasury/Financial Planning
Paul Dietz, Senior Manager of Forecasting and Market Analytics



FROM: Amy Thompson, Senior Financial Analyst
Mark Buchta, Senior Financial Analyst
Phillip Law, Term Marketer
Jerrod Estell, Quantitative Analyst

SUBJECT: Establishment of Hybrid Credit Facility (Letters of Credit and Optional Line of Credit)

Purpose: To request Commission approval to review and approve the establishment of a hybrid credit facility with J.P. Morgan to support the risks associated with financial hedging conducted with executed International Swaps and Derivatives Association (ISDA) contracts. Commission approval is required to enter into any debt-related agreements.

Discussion: ISDA contracts based on market valuation may require a Letter of Credit posted to hedge or cover a market position. Depending on market conditions, the District may be required to post a Letter of Credit to cover any negative exposure in excess of the credit thresholds on a trade position.

- Counterparties in an executed ISDA contract require collateral in the form of a Letter of Credit if mark to market exceeds credit thresholds as set by the agreement.
- Current ISDA contracts have credit thresholds ranging from \$20M to unlimited exposure for the District.
- A Letter of Credit may be used to cover the exposure over and above the limits of the contract.
- The District is unable to collateralize exposure with cash due to bond covenants.

Justification: The District's load growth has led to increasingly higher takes of the Estimated Unmet District Load (EUDL) provided by our Power Sales Contracts. The EUDL is inherently a financial position that should be hedged to ensure that we maintain risk-informed financial results. Given the size of this annual position (roughly 300 aMW), modern financial strategies recommend the use of standardized financial contracts like those specified by the International Swaps and Derivatives Association (ISDA). Use of these instruments will allow the District to proactively manage risks, ensure operational flexibility, and safeguard the District's financial position. Financial hedging is not new to the electric utility industry as a large majority of utility companies throughout the country have been transacting financial products for more than thirty years.

One significant requirement of financial trading in the United States is the need to demonstrate and guarantee financial stability. The District is required to provide Letters of Credit to our financial trading partners due to legal restrictions on The District's ability to post cash or other forms of secured credit. Some benefits of issuing Letters of Credit include improved financial flexibility, liquidity preservation, and access to a broader range of opportunities and more favorable contract agreements. Without the use of Letters of Credit, the District would not be able to make financial trades and would not gain the benefit

of using financial hedges to manage the District's financial EUDL position. Currently, the District's 2025 EUDL position is valued at approximately \$297M. A 1% movement in the price would equate to \$2.97 million. The fees associated with the ability to hedge financial transactions are reasonable based on the amount of financial value being hedged.

The Energy Supply Management department has estimated the amount of credit needed to facilitate the District's financial trading to be in the range of at least \$20M or higher. The estimate was made by applying quantitative techniques and computational simulations to financial trading positions of reasonable size and value to assess the probability of loss.

The ISDA collateral process entails collaborating with the District's counterparties and financial institutions to ensure the Letter of Credit's terms align with the transaction's requirements outlined in the ISDA contract. This step is integral to enhancing the financial security of the transactions by providing a guarantee of payments for both parties involved. The handling of the Letter of Credit will be consistent with the ISDA contracts we have negotiated with the District's counterparties. The collateral process is intended to protect the interests of both the counterparties and the District's financial well-being. The overall approach aims at the optimization of the District's financial position throughout the entire lifecycle of the trade.

The integration of financial trading and the use of ISDA contracts are not just strategic choices but essential steps towards ensuring the financial stability and operational agility of the District. This addition of financial trading reflects the District's commitment to adapting to the market's demands and dedication to meeting customers' expectations. Additionally, the Energy Supply Management department estimates the need to get the District's credit facilities established quickly to help facilitate movement of the power sales auction date to early June.

- Why: (general ISDA terms/mechanics and RCW restrictions on cash with ISDA
 - As a Public Utility, we cannot post cash because the bondholders' interests take precedence. A letter of credit is the only instrument available to us.

Financial Considerations: The District will incur a standard fee to maintain the hybrid credit facility as well as administrative overhead to monitor the credit positions of the trade. Once a Letter of Credit or a draw on the Line of Credit has been made, the District will incur additional fees associated with the amount(s) used.

- The Energy Supply Management department has analyzed a minimum executed credit line of \$20M with a not to exceed amount of \$50M currently should suffice to meet the demands of current and future contracts.
- The base cost of maintaining a \$20M hybrid credit facility for a period of 3 years is \$115k per year for a total facility cost of \$345k.
 - Costs associated with draws or Letters of Credit currently range from \$60k to \$1.2M for 3 years. This would be in addition to the base cost of maintaining the credit facility.
 - Tax-Exempt Draws on the line of credit can only be used for capital projects.
 - Letters of credit may be used to cover market exposure on an ISDA contract.
- If a position is called and a Letter of Credit must be used, the steps involved to settle the position with the counterparty are:
 - J.P. Morgan pays up to the amount issued on the Letter of Credit
 - The District repays J.P. Morgan the amount of the Letter of Credit with the terms

- Timing: The District has 2 hours (10AM EST to 12PM EST) same business day to pay the used Letter of Credit otherwise the District enters into a loan agreement with J.P. Morgan
- Loan Agreement: Terms upon finalized facility agreement
- Depending upon the amount the District must pay, fund availability may be restricted and a loan may be the only option available

Contract Specifics: A full RFP was completed through the District's Financial Advisor, PFM.

- Only 1 bank responded to the RFP.
- J.P. Morgan is compliant and can meet the needs of the ISDA contracts

Recommendation: Commission approval to establish a hybrid credit facility with J.P. Morgan to support the risks associated with financial hedging conducted with executed International Swaps and Derivatives Association (ISDA) contracts with an initial signed credit facility of \$20M with a not to exceed amount of \$50M (subject to Commission-authorized District Representative adjustment). Commission approval is required to enter into any debt-related agreements.

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

From: [Mitchell Delabarre](#)
To: [Amy Thompson](#)
Cc: [Angelina Johnson](#); [Leah Mauceri](#)
Subject: RE: Grant PUD - Credit Facility Financing - Draft Resolution for your Review
Date: Monday, January 29, 2024 10:02:37 AM

The resolution is approved for Commission consideration.
Mitch

Mitchell P. Delabarre
General Counsel/Chief Legal Officer
Grant PUD
mdelaba@gcpud.org
509 793-1565

The information contained in this e-mail message is privileged, confidential and protected from disclosure. If you are not the intended recipient, dissemination, distribution or copying of the information contained herein is strictly prohibited. If you think you have received this e-mail message in error, please reply to mdelaba@gcpud.org or call (509) 793-1565.

From: Amy Thompson <athompson@gcpud.org>
Sent: Monday, January 29, 2024 9:33 AM
To: Mitchell Delabarre <Mdelaba@gcpud.org>
Cc: Angelina Johnson <Ajohnso@gcpud.org>; Leah Mauceri <Lmaucer@gcpud.org>
Subject: FW: Grant PUD - Credit Facility Financing - Draft Resolution for your Review

Good morning, Mitch-

Here is the latest resolution for the LOC/Credit Facility (blacklined and clean).

Thanks!
Amy

From: Amy Thompson
Sent: Thursday, January 11, 2024 4:43 PM
To: Mitchell Delabarre <Mdelaba@gcpud.org>
Cc: Angelina Johnson <Ajohnso@gcpud.org>; Leah Mauceri <Lmaucer@gcpud.org>
Subject: FW: Grant PUD - Credit Facility Financing - Draft Resolution for your Review

Good afternoon, Mitch-

Attached is the resolution for the Hybrid Credit Facility with J.P. Morgan for the IPD group. (I will be sending the J.P. Morgan Revolving Credit Agreement in a separate email.)

Please let us know if you have any questions or concerns.

Thanks!

Amy

From: Deanna Gregory <Deanna.Gregory@pacificallawgroup.com>
Sent: Wednesday, January 10, 2024 5:30 PM
To: Au Yang, Selina <Selina.Au.Yang@jpmorgan.com>; David M. Field <dfield@chapman.com>; Amy Thompson <athompson@gcpud.org>; Patel, Ashish <ashish.patel@jpmorgan.com>; Stacey Lewis <Stacey.Lewis@pacificallawgroup.com>; Kristin Patterson <Kristin.Patterson@pacificallawgroup.com>; Tobias Tobler <Tobias.Tobler@pacificallawgroup.com>; Katie O'Toole <otoolek@pfm.com>; Angelina Johnson <Ajohnso@gcpud.org>; Cesar Castro-Leon <ccastroleon@gcpud.org>; Mark Buchta <mbuchta@gcpud.org>; Tina Main <Twentworth@gcpud.org>; Paul Dietz <Pdietz@gcpud.org>; Talbott, Heather X <heather.x.talbott@jpmorgan.com>; Kostizak, William <william.kostizak@jpmorgan.com>; Matthew P. Huebsch <huebsch@chapman.com>; Kevin M. O'Neill <oneill@chapman.com>; Michael Berwanger <berwangerm@pfm.com>; Faisal Alif <aliff@pfm.com>; Campbell, David J. <David.J.Campbell@jpmorgan.com>; Rapaport, Mitch <MRapaport@nixonpeabody.com>; Cesar Castro-Leon <ccastroleon@gcpud.org>
Cc: Stacey Lewis <Stacey.Lewis@pacificallawgroup.com>; Tobias Tobler <Tobias.Tobler@pacificallawgroup.com>; Kristin Patterson <Kristin.Patterson@pacificallawgroup.com>
Subject: Grant PUD - Credit Facility Financing - Draft Resolution for your Review

Hi all,

Attached for your review and comment is a revised draft resolution for the credit facility financing. Blacklined and clean copies are attached.

Please let us know if you have any additional comments. Note that there are a few places in brackets/blanks that need confirmation from the District and/or the Bank.

Thanks!
Deanna and Stacey

Deanna Gregory
(she/her/hers)
Partner



T 206.245.1700
D 206.245.1716
C 206.349.0773
1191 Second Avenue, Suite 2000
Seattle, WA 98101
deanna.gregory@pacificallawgroup.com
www.pacificallawgroup.com

This electronic message contains information from the law firm of Pacifica Law Group LLP. The contents may be privileged and confidential and are intended for the use of the intended addressee(s) only. If you are not an intended addressee, note that any disclosure, copying, distribution, or use of the contents of this message is prohibited.

If you have received this e-mail in error, please contact me at Deanna.Gregory@pacificlawgroup.com

*****Please take care when opening links, attachments, or responding to this email as it originated outside of Grant.*****

For Commission Review – 02/27/2024

Motion was made by _____ and seconded by _____ authorizing payment of non-compliant purchase from Chelan County PUD, invoice number MS-010627 dated November 6, 2023, in the amount of \$20,313.10.

Non-Compliant Purchase

MEMORANDUM

DATE 2/9/2024

TO: Rich Wallen, General Manager

VIA: Jeff Grizzel, Chief Operating Officer.
Ron Alexander, Director Power Delivery.
Chris Heimbigner, Sr. Manager Construction and Maintenance.

FROM: John Kemman, Engineer Construction and Maintenance.

SUBJECT: Request to Pay Unauthorized Purchase

Purpose: Request Commission approval to pay Chelan County PUD invoice MS-010627 dated 11.6.2023, in the amount of \$20,313.10.

Description of unauthorized purchase:

This purchase of transformer oil was necessary to ensure that critical substation work could be completed during an outage window. The oil was needed for the Auto transformer at Ancient Lake Station, and 18 barrels were needed to supply the correct volume of oil. Our own internal oil inventory had been depleted, and a purchase was already in place but was not going to be delivered in time to meet the outage window.

Details and history of the purchase:

The oil was retrieved by Grant PUD crew on October 31st, 2023, to supply the oil necessary for the station work to be completed. This oil purchase was invoiced to Grant PUD on November 6th, 2023. I was made aware of the invoice January 11th, 2024, and I proceeded with a purchase order. Unfortunately, due to my misunderstanding of this type of purchase, and being outside of my purchase authority limit it was determined to be non-compliant.

Total cost: \$20,313.10

Violation (i.e., State Bid Law, Delegation of Authority, etc.): Purchase Order Process violation.

Steps Taken to Avoid Future Violations:

We will work to have a clearly defined process for the steps that need to be taken in this situation in the future. Also, we are working to create a better method of managing our own work process internally. The depletion of our own oil supplies should have been remedied, but there was not a clear path of communication to fix the issue. Our diligence to make a better process will prevent reactionary work like this from happening in the future.

Recommendation: Commission approval to pay Chelan County PUD, invoice MS-010627 in the amount of \$20,313.10.

See attached invoice and background information.

CC: Patrick Bishop Sr. Manager Procurement
Patricia Dietmeyer, Accounting Supervisor
Dmitriy Turchik, Sr. Manager Internal Audit

Randi Hovland

From: Ron Alexander
Sent: Tuesday, February 13, 2024 9:57 AM
To: John Kemman; Randi Hovland
Cc: Jeff Grizzel; Chris Heimbigner; Jeremy Robertson
Subject: FW: Non-Compliant purchase memo
Attachments: Chelan-noncompliant.docx; MS-010627.pdf

I approve this moving forward. It was due to an emergency due to time constraint by the outage at Ancient Lake.

Ron

From: John Kemman <jkemman@gcpud.org>
Sent: Tuesday, February 13, 2024 9:43 AM
To: Randi Hovland <Rhovla1@gcpud.org>; Ron Alexander <ralexander@gcpud.org>
Cc: Chris Heimbigner <Cheimbigner@gcpud.org>; Jeremy Robertson <jrobert@gcpud.org>
Subject: RE: Non-Compliant purchase memo

Hey Ron,

I wasn't sure if the attachments had made it through with the previous email. It is stated in the Memo to the commission as to why the purchase was made, and our path forward.

Thanks,

John Kemman
Grant County PUD #2
Construction and Maintenance
Ephrata Service Center
Cell: 253-678-6109

From: John Kemman <jkemman@gcpud.org>
Sent: Monday, February 12, 2024 3:59 PM
To: Randi Hovland <Rhovla1@gcpud.org>; Ron Alexander <ralexander@gcpud.org>
Cc: Chris Heimbigner <Cheimbigner@gcpud.org>; Jeremy Robertson <jrobert@gcpud.org>
Subject: Re: Non-Compliant purchase memo

Hey Ron,

Can you give approval via email to Randi for this memo to go to the commission?

Thanks,

John Kemman
253-678-6109

From: John Kemman
Sent: Monday, February 12, 2024 7:46:27 AM

To: Randi Hovland <Rhovla1@gcpud.org>

Cc: Chris Heimbigner <Cheimbigner@gcpud.org>; Jeremy Robertson <jrobert@gcpud.org>

Subject: Non-Compliant purchase memo

Hey Randalynn,

I have personally never dealt with this yet, but I was told that I should sent this directly to you to get on the docket for the commission meeting. I am hoping we can get on the next meeting if at all possible since this invoice is way beyond overdue.

Thanks,

John Kemman
Grant County PUD #2
Construction and Maintenance
Ephrata Service Center
Cell: 253-678-6109



CHELAN COUNTY PUBLIC UTILITY DISTRICT
P.O. Box 1231 Wenatchee, WA 98801 98807-1231
Make your check payable to: **Chelan County PUD**

Invoice No: MS-010627
Invoice Date: 11/6/2023
Page: 1 of 1

Customer No: 10085
Payment Terms: Net 30
Due Date: 12/6/2023

Bill To:

Grant County PUD
PO Box 878
Ephrata WA 98823

Amount Due:	\$20,313.10
Amount Remitted:	_____

Please detach top copy and submit with your payment

*REVISED REPLACES INVOICE MS-010625 *WO# 224611 - Materials sold October 31, 2023, picked up at 1150 E
Hawley St, Wenatchee Chelan County PUD.
Oil, Transformer, 55 Gal//208.2L - Stock #100349 - QTY-18 @ 1,038.18 PER BARREL

Line	Description	Project	Qty	Unit Amt	Net Amount
1	Amount Due	20018727	1.00	18,687.30	18,687.30

Please send your remittance to the attention of Cashier, indicating invoice number and customer number on the remittance. Thank you very much!

Total Amount:	\$18,687.30
Total Taxes: (Wen Tax 8.70%)	\$1,625.80
Amount Due:	\$20,313.10



CHELAN COUNTY PUBLIC UTILITY DISTRICT
P.O. Box 1231 Wenatchee, WA 98801 98807-1231
If you have questions about this bill, please call:
(509-663-8121) or toll-free at (888) 663-8121