



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION

## MEETING AGENDA

Wednesday, December 13, 2023

4:00 PM

**CALL TO ORDER:** Pursuant to due notice and call thereof, a Regular Meeting of the Grand Rapids Public Utilities Commission will be held on Wednesday, December 13, 2023 at 4:00 PM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street, Grand Rapids, Minnesota.

**CALL OF ROLL:**

**PUBLIC FORUM:**

**APPROVAL OF MINUTES:**

1. Consider a motion to approve the November 8, 2023 Regular Commission Minutes, the November 17, 2023 Special Meeting Minutes and the November 22, 2023 Work Session Minutes.

**VERIFIED CLAIMS:**

2. Consider a motion to approve \$3,375,733.82 of verified claims for November 2023.

**COMMISSION REPORTS:**

**CONSENT AGENDA:** Any item on the consent agenda shall be removed for consideration by the request of any one Commission member, Utility Staff, or the public and put on the regular agenda for discussion and consideration.

3. Consider a motion to approve the Services Agreement with MMUA for safety professional services in the amount of \$34,150.00 and authorize the General Manager to sign the Agreement.
4. Consider a motion to approve the amended bylaws.
5. Consider a motion to ratify the procurement contract with Cogsdale for \$15,750 to install MS GP Dynamics, CMG, CSM 18.6 upgrade and provide technical support.
6. Consider a motion to ratify the procurement contract with Cogsdale for \$2,100 to provide professional services for end-of-year payroll processes.
7. Consider a motion to ratify the procurement contract with CLA for not to exceed \$5,000 providing professional services to assess GRPU use of Federal Energy Regulatory Commission (FERC) accounting versus using only Generally Accepted Accounting Principles (GAAP)/Government Accounting Standards Board (GASB) accounting.
8. Consider a motion to approve the December 2023 semi-annual write off of \$43,153.79 uncollectible accounts receivable.

- [9.](#) Consider a motion to award the contract for 2024 Sludge Placement to JRadtke Trucking in the amount of \$67,500 and authorize the General Manager to sign the contract.

SETTING OF REGULAR AGENDA: This is an opportunity to approve the regular agenda as presented, or add/delete an agenda item by a majority vote of the Commission members present.

SAFETY REPORT:

- [10.](#) Review Safety Monthly Report

ADMINISTRATION:

- [11.](#) Consider a motion to approve the Information Systems Analyst (Systems Emphasis) and Information Systems Manager job descriptions and authorize the internal posting, and external advertisement, if needed.
- [12.](#) Review Administration Department Monthly Report

BUSINESS SERVICES DEPARTMENT:

- [13.](#) Consider a motion to adopt resolution 12-13-23-16 approving the 2024 Operations and Capital Budgets.
- [14.](#) Consider a motion to ratify the 2024 electric, water, and wastewater collection rates per the 2022 adopted cost of service rate studies.

ELECTRIC DEPARTMENT:

- [15.](#) Review Electric Utility Monthly Report

WATER AND WASTEWATER DEPARTMENT:

- [16.](#) Review Water Utility Monthly Report
- [17.](#) Review Wastewater Utility Monthly Report

ADJOURNMENT:

- [18.](#) Electric Department Head Presentation

ADJOURNMENT:

The next Special meeting/Work Session is scheduled for Wednesday, January 10, 2024 at 8:00 AM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

The next Regular Meeting of the Commission is scheduled for Wednesday, January 24, 2024 at 4:00 PM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

The GRPUC has adopted a Meeting Protocol Policy, which informs attendees of the GRPUC's desire to conduct meetings in an orderly manner which welcomes all civil input from interested parties. If you are unaware of the policy, please contact our office at 218-326-7024 and we will provide you with a copy of the policy.



**GRAND RAPIDS PUBLIC UTILITIES COMMISSION  
MEETING MINUTES**

**Wednesday, November 08, 2023**

**4:00 PM**

**President Stanley called the meeting to order at 4:00PM**

**PRESENT: President Tom Stanley, Secretary Luke Francisco, Commissioner Nancy Saxhaug, Commissioner Rick Smith, Commissioner Dale Adams**

**STAFF: Julie Kennedy, Steve Mattson, Chad Troumbly, Jean Lane**

**PUBLIC FORUM:**

**No one from the public was present.**

**APPROVAL OF MINUTES:**

1. Consider a motion to approve the October 10, 2023 Special Joint Meeting Minutes, the October 18, 2023 Regular Commission Minutes, and the October 25, 2023 Work Session Minutes.

**Motion made by Commissioner Adams, Seconded by Commissioner Smith to approve the October 10, 2023 Special Joint Meeting Minutes, the October 18, 2023 Regular Commission Minutes, and the October 25, 2023 Work Session Minutes. Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

**VERIFIED CLAIMS:**

2. Consider a motion to approve \$723,180.21 of verified claims for October 2023.

**Motion made by Secretary Francisco, Seconded by Commissioner Smith to approve \$723,180.21 of verified claims for October 2023. Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

**COMMISSION REPORTS:**

**Commissioner Dale Adams reported on the opening of Yanmar Arena. He stated that the upgrades will lead to efficiencies in the arenas operations.**

**CONSENT AGENDA:** Any item on the consent agenda shall be removed for consideration by the request of any one Commission member, Utility Staff, or the public and put on the regular agenda for discussion and consideration.

**Motion made by Commissioner Smith, Seconded by Commissioner Adams to approve the consent agenda as presented.**

**Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

3. Consider a motion to ratify the procurement contract with Procise Solutions, Inc. for professional consulting services in an amount not to exceed \$11,550.00.

**Approved on consent agenda.**

4. Consider a motion to ratify the procurement contract with Novaspect for a 6” Pratt butterfly valve with actuator for the water plant for \$5,079.78.

**Approved on consent agenda.**

5. Consider a motion to ratify the procurement contract with Tru North Electric for wiring security cameras at the water plant for \$9,800.

**Approved on consent agenda.**

SETTING OF REGULAR AGENDA: This is an opportunity to approve the regular agenda as presented, or add/delete an agenda item by a majority vote of the Commission members present.

**Motion made by Commissioner Adams, Seconded by Secretary Francisco to approved the regular agenda.**

**Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

SAFETY REPORT:

6. Review Safety Monthly Report

**Reviewed Safety Monthly Report**

ADMINISTRATION:

7. Consider a motion to approve the Information Systems Analyst (GIS Emphasis) job description and authorize the internal posting, and external advertisement if needed.

**Motion made by Commissioner Adams, Seconded by Commissioner Smith to approve the Information Systems Analyst (GIS Emphasis) job description and authorize the internal posting, and external advertisement if needed.**

**Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

8. Review Administration Department Monthly Report

**Reviewed Administration Department Monthly Report**

BUSINESS SERVICES DEPARTMENT:



9. Consider a motion to approve of the updated agreement between the Grand Rapids Area Community Foundation and Grand Rapids Public Utilities Commission for the Public Utilities Community Caring Fund and authorize the General Manager to sign.

**Motion made by Commissioner Adams, Seconded by Commissioner Saxhaug to approve of the updated agreement between the Grand Rapids Area Community Foundation and Grand Rapids Public Utilities Commission for the Public Utilities Community Caring Fund and authorize the General Manager to sign.**

**Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

10. Review Business Services Department Monthly Report

**Reviewed Business Services Department Monthly Report**

ELECTRIC DEPARTMENT:

11. Review Electric Utility Monthly Report

**Reviewed Electric Utility Monthly Report**

WATER AND WASTEWATER DEPARTMENT:

12. Review Water Utility Monthly Report

**Reviewed Water Utility Monthly Report**

13. Review Wastewater Utility Monthly Report

**Reviewed Wastewater Utility Monthly Report**

DEPARTMENT HEAD PRESENTATION:

14. Business Services Department Presentation

**Business Manager Jean Lane presented the Business Services Department Presentation**

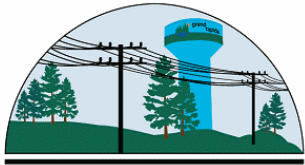
ADJOURNMENT:

**There being no further business, the meeting was adjourned at 4:55PM.**

**Respectfully submitted,**

*Megan Pehrson*

**Megan Pehrson, Executive Assistant**



**GRAND RAPIDS  
PUBLIC UTILITIES**  
*Service is Our Nature*

**GRAND RAPIDS PUBLIC UTILITIES COMMISSION  
SPECIAL MEETING  
MEETING MINUTES**

**Friday, November 17, 2023**

**8:30 AM**

**President Stanley called the meeting to order at 8:30 AM**

**PRESENT: President Tom Stanley, Secretary Luke Francisco, Commissioner Nancy Saxhaug, Commissioner Rick Smith, Commissioner Dale Adams**

**OTHERS: Tyanne Betts, Corrine Ivanca, Jean Lane, Steve Mattson, Dan Swensen, Tom Pagel,**

**Megan Pehrson**

**BUSINESS:**

1. Consider a motion to remove the contingency from the purchase agreement for the real property parcel 91-550-0340.

**Motion made by Commissioner Adams, Seconded by Secretary Francisco to remove the contingency from the purchase agreement for the real property parcel 91-550-0340.**

**Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

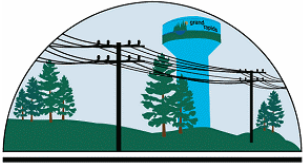
**ADJOURNMENT:**

**There being no further business, the meeting adjourned at 8:51 AM.**

**Respectfully Submitted,**

*Megan Pehrson*

**Megan Pehrson**



**GRAND RAPIDS  
PUBLIC UTILITIES**  
*Service is Our Nature*

**GRAND RAPIDS PUBLIC UTILITIES COMMISSION  
SPECIAL  
MEETING MINUTES**

**Wednesday, November 22, 2023**

**8:00 AM**

**President Stanley called the meeting to order at 8:01 AM**

**PRESENT: President Tom Stanley, Secretary Luke Francisco, Commissioner Dale Adams**

**ABSENT: Commissioner Nancy Saxhaug and Commissioner Rick Smith with notice**

**STAFF: Julie Kennedy, Steve Mattson, Chad Troumbly, Jean Lane, Megan Pehrson, Lasha Karels, Erik Scott, Michael LeClaire**

**BUSINESS:**

1. Consider a motion to approve \$2,707,665.24 verified claims for October and November 2023.

**Motion made by Secretary Francisco, Seconded by Commissioner Adams to approve \$2,707,665.24 verified claims for October and November 2023.**

**Voting Yea: President Stanley, Secretary Francisco, Commissioner Adams**

2. Consider a motion to approve the 2024 GRPUC Regular Work Session and Regular Meeting dates and times and provide notice of a proposed amendment to the bylaws.

**Motion made by Commissioner Adams, Seconded by Secretary Francisco to approve the 2024 GRPUC Regular Work Session and Regular Meeting dates and times and provide notice of a proposed amendment to the bylaws.**

**Voting Yea: President Stanley, Secretary Francisco, Commissioner Adams**

3. Review 2024 Proposed Operations and Capital Budgets

**Reviewed 2024 Proposed Operations and Capital Budgets**

**ADJOURNMENT:**

**There being no further business, the meeting adjourned at 9:35 AM.**

**Respectfully Submitted,**

*Megan Pehrson*

**Megan Pehrson**



## **GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM**

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**AGENDA DATE:** December 13, 2023

**AGENDA ITEM:** Consider a motion to approve \$3,375,733.82 of verified claims for November 2023.

**PREPARED BY:** Jean Lane, Business Services Manager

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### **BACKGROUND:**

See attached check registers:

Computer check register \$1,729,636.34

Manual check register \$ 1,646,097.48

Total \$3,375,733.82

### **RECOMMENDATION:**

Approve \$3,375,733.82 of verified claims for November 2023.

Grand Rapids Public Utilities  
Accounts Payable  
November 2023  
(Meeting Date: 12/13/2023)

NAME	AMOUNT	NAME	AMOUNT
Altec Industries	21.71	Northeast Technical Services	3,070.75
Aramark	275.34	Northern Dewatering	2,391.30
Automotive Electric	1,310.75	Novaspect	13,679.48
Border States	596.10	Pitney Bowes	2,510.14
Burggraf's	80.55	Procise Solutions	3,325.00
Carquest	165.06	Public Utilities	6,024.39
Central McGowan	614.75	Radtke, James	5,113.68
City of Grand Rapids	493,330.38	Rapids Radio	2,765.50
CliftonLarsonAllen	630.00	Rapids Welding	15.00
Cogsdale	1,050.00	RMB Environmental Lab	1,042.17
Coles	857.21	Roger's Two Way Radio	3,112.87
Compass Minerals	8,980.71	Sandstroms	671.30
Cooperative Response Center	2,016.53	Sterle Law Office	3,475.00
Core & Main	4,189.14	Thein Well	24,844.49
Dakota Supply Group	2,796.30	TNT Construction	23,782.00
Davis Petroleum	3,607.53	Total Tool	4,459.40
Fastenal	2,942.25	Tru North Electric	9,186.54
FirePro Sprinkler Specialist	333.47	United Rentals	1,584.58
Gopher State One Call	105.30	UPS	179.39
Grainger	1,403.75	USA Bluebook	162.35
Graybar	1,527.85	VC3	5,248.40
Hach	786.71	Viking Electric	353.44
Harcros Chemical	10,000.00	Waste Management	764.50
Hawkins	4,778.35	Wesco	1,780.56
Innovative	7,785.53	Xerox	126.23
Itasca County	1,407.65		
L&M	19.55	Energy Efficiency Rebate:	
Lake States Construction	45,841.78	Fearing, Brian & Amy	35.00
Latvala Lumber	106.16	Grand Rapids Fire Hall	4,077.19
Locators & Supplies	406.80	Holl, Garrett (Solar)	5,000.00
LVC Companies	1,557.55	Torgerson, Claire	79.50
Macqueen Equipment	3,080.11	Zion Lutheran Church (Solar)	5,000.00
McCoy	305.22	Curtiss, Glen	35.00
McMaster-Carr	2,333.22	MacRostie Art Center	793.58
Milsoft	2,661.09	Nordin, Dorothy	100.00
MN Power	978,693.21		
Mpower	8,250.00		
		Total	1,729,636.34

## November 2023 Check Register

Item 2.

Document Date	Check #	Vendor Name	Document Amount	
11/1/2023	4982	Northeast Service Cooperative	55,641.04	11/30/2023
11/1/2023	4983	Northeast Service Cooperative	4,144.00	11/30/2023
11/6/2023	4984	WEX Health	985.65	11/30/2023
11/6/2023	4985	Invoice Cloud	3,171.00	11/30/2023
11/3/2023	4986	Public Employees Retirement Association	15,997.90	11/3/2023
11/3/2023	4987	MN Department of Revenue	4,427.99	11/3/2023
11/3/2023	4988	Wells Fargo Bank	26,339.28	11/3/2023
11/3/2023	4989	Empower Retirement	8,031.79	11/3/2023
11/15/2023	4990	MN Department of Revenue	72,435.00	11/30/2023
11/17/2023	4991	Public Employees Retirement Association	16,477.43	11/17/2023
11/17/2023	4992	MN Department of Revenue	4,637.95	11/17/2023
11/17/2023	4993	Wells Fargo Bank	27,410.03	11/17/2023
11/17/2023	4994	Empower Retirement	8,398.81	11/17/2023
11/20/2023	4995	WEX Health	985.65	11/30/2023
11/9/2023	4996	Wells Fargo Pcard	2,086.50	
11/24/2023	4997	WEX Health	93.50	11/30/2023
11/3/2023	82207	First Net AT & T Mobility	321.86	11/3/2023
11/3/2023	82208	Verizon Wireless	1,568.19	11/3/2023
11/3/2023	82209	Mattson Steve	40.61	11/3/2023
11/3/2023	82210	UNUM Life Insurance Company of America	3,242.59	11/3/2023
11/3/2023	82211	Troumbly, Chad M	104.80	11/3/2023
11/3/2023	82212	Customer Refunds - Zef Energy	7,393.09	11/30/2023
11/3/2023	82213	Customer Refunds - Edward Jones	241.40	11/30/2023
11/3/2023	82214	Customer Refunds - United Seating & Mobility	1,046.67	11/30/2023
11/3/2023	82215	Customer Refunds - J. Holy	47.60	11/30/2023
11/3/2023	82216	Customer Refunds - K. Owens	36.77	11/30/2023
11/3/2023	82217	Customer Refunds - GR Herald Review	361.67	11/30/2023
11/3/2023	82218	MN Child Support Payment Center	391.32	11/3/2023
11/3/2023	82219	NCPERS Group Life Insurance	80.00	11/3/2023
11/7/2023	82220	Grand Rapids Area Community Foundation	354.21	11/7/2023
11/9/2023	82264	MN Power	967,349.91	11/9/2023
11/9/2023	82265	Postage By Phone System	5,000.00	11/9/2023
11/9/2023	82266	Radtke James	8,028.12	11/9/2023
11/9/2023	82267	Xerox Corporation	126.48	11/9/2023
11/15/2023	82268	City of LaPrairie	15,710.45	11/30/2023
11/15/2023	82269	Customer Refunds Utility Accounts	180.00	11/30/2023
11/17/2023	82270	MN Child Support Payment Center	391.32	11/17/2023
11/17/2023	82271	MN Council 65	1,806.00	11/17/2023
11/17/2023	82272	Midland Title	232,288.48	11/17/2023
11/17/2023	82273	City of Grand Rapids	1,274.03	11/17/2023
11/17/2023	82274	UPS	78.68	11/17/2023
11/17/2023	82275	MN Energy Resources Corporation	419.64	11/17/2023
11/17/2023	82276	Troumbly, Chad M	136.79	11/17/2023
	82277	Voided		
11/17/2023	82278	Customer Refunds - S. Sutherland	643.67	11/30/2023
11/17/2023	82279	Customer Refunds - Levens	111.94	11/30/2023

11/17/2023 82280	Customer Refunds - Kromy/Nickila	91.85	11/30/2023
11/17/2023 82281	Customer Refunds- T. Applebee	95.11	11/30/2023
11/17/2023 82282	Customer Refunds - Ahlgren	114.87	11/30/2023
11/29/2023 82347	Customer Refunds - Fannie Mae	98.98	11/30/2023
11/29/2023 82348	Customer Refunds - M. Adamich	108.08	11/30/2023
11/29/2023 82349	Customer Refunds - A. Ryan	100.67	11/30/2023
11/29/2023 82350	Customer Refunds - M. Buffetta	88.38	11/30/2023
11/29/2023 82351	Customer Refunds - A. Turk	100.74	11/30/2023
11/29/2023 82352	Customer Refunds - T. Brenny	87.91	11/30/2023
11/29/2023 82353	Customer Refunds L. Grell	103.33	11/30/2023
11/29/2023 82354	Customer Refunds - J. Mitchell	21.42	11/30/2023
11/30/2023 82355	City of Grand Rapids	72,333.33	11/30/2023
11/30/2023 82356	City of Grand Rapids	71,726.50	11/30/2023
11/30/2023 82357	City of Grand Rapids	136.50	11/30/2023
11/2/2023 EFT000000	US Bank Corporate Trust	850.00	11/2/2023

Checks Previously Approved **	0.00
Manual Checks/EFT to be approved	1,646,097.48
<b>Total Manual Checks</b>	<b>1,646,097.48</b>



## **GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM**

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**AGENDA DATE:** December 13, 2023

**AGENDA ITEM:** Consider a motion to approve the Services Agreement with MMUA for safety professional services in the amount of \$34,150.00 and authorize the General Manager to sign the Agreement.

**PREPARED BY:** Julie Kennedy, General Manager

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### **BACKGROUND:**

MMUA is changing their fiscal year so this contract covers Q4 of 2023 and all of 2024. The Safety Management services are part of the 2023 and 2024 GRPU operations budgets.

### **RECOMMENDATION:**

Consider a motion to approve the Services Agreement with MMUA for safety professional services in the amount of \$34,150.00 and authorize the General Manager to sign the Agreement.





SERVICES AGREEMENT

Date: September 15, 2023

Contract No. 138-2024

**Safety Management Services**

This Services Agreement (the "Agreement") is made as of October 1, 2023, between the Minnesota Municipal Utilities Association (MMUA) and the Grand Rapids Public Utilities, each a "Party" and collectively, the "Parties."

**PART I – Scope of Services**

**PART II – Duration / Amendment / Renewal**

**PART III – Obligations**

**PART IV – Standard Terms and Conditions**

The terms of this Agreement are hereby accepted by the Parties.

Grand Rapids Public Utilities

Minnesota Municipal Utilities Association

By \_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

Title Chief Executive Officer

Date \_\_\_\_\_

Date \_\_\_\_\_

PO # \_\_\_\_\_

PART I – SCOPE OF SERVICES

MMUA will provide/deliver for the term of this Agreement:

- 1. The services of a person engaged by MMUA, in the capacity of Regional Safety Coordinator.
- 2. The assigned Regional Safety Coordinator will:
  - a. Plan, organize and/or conduct regular monthly safety meetings at Grand Rapids Public Utilities.
  - b. Develop and maintain a standard safety management record keeping and reporting system at Grand Rapids Public Utilities.
  - c. The record system will include (check those covered by this Agreement):
    - Required OSHA records
    - Required DOT records
    - Required ADA records
    - Provide written program
    - Provide annual site inspection
    - Provide interpretation and clarification of OSHA rules.
  - d. Visit Grand Rapids Public Utilities unless circumstances lend a different location approved by Grand Rapids Public Utilities management (collectively, the "Services").
    - Tier service level: 2
    - Number of days per year: 24
- 3. The Services will be provided in the following city departments:
  - a. Grand Rapids Public Utilities # of employees 35
  - b. \_\_\_\_\_ # of employees \_\_\_\_\_
  - c. \_\_\_\_\_ # of employees \_\_\_\_\_
  - d. \_\_\_\_\_ # of employees \_\_\_\_\_
  - e. \_\_\_\_\_ # of employees \_\_\_\_\_

PART II – TERM/ RENEWAL/ AMENDMENT

- 1. TERM/RENEWAL: This Agreement shall remain in force from October 1, 2023 until December 31, 2024. Thereafter, it shall continue automatically for successive twelve-month calendar year periods unless terminated by either Party providing written notice at least sixty (60) days in advance of the end of the then-current term.
- 2. AMENDMENT: This Agreement may be amended or modified upon the mutual agreement of both Parties but only if in writing, signed by the Parties, dated, and appended to this Agreement.

## PART III – OBLIGATIONS

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1. COMPENSATION: For the Services, Grand Rapids Public Utilities shall pay MMUA an annual fee of \$27,319.95 in the first year. Such compensation shall be due and payable according to the selected payment terms below.

Payment terms for the fee agreed to above shall be based on one of the following options (select one):

- Full 15-month payment (October 1, 2023 to December 31, 2024) (\$34,150.00), contract amount will be billed on an annual basis thereafter, consistent with the amount communicated by MMUA each September as described below.
- Annual payment (\$27,319.95)
- Quarterly payments (\$6,830.00 each)

For any term less than twelve (12) full calendar months, the fee shall be a portion of the annual fee, pro-rated based on the number of calendar months or partial calendar months in which the Services are provided as a percentage of twelve (12).

For years after the first year, the annual fee will be adjusted to reflect the cost of the Services for the coming twelve-month period. This fee will be set by the MMUA Board of Directors and provided to Grand Rapids Public Utilities in a written notice within 30 days of the Board's action.

2. OTHER CITY OBLIGATIONS:

- Provide workspace for Regional Safety Coordinator when on-site.
- Provide clerical support for Regional Safety Coordinator.
- Schedule participation of employees in regular safety meetings.
- Provide the required training for employees as recommended by the Regional Safety Coordinator.
- Provide to MMUA in a timely manner any information MMUA indicates is needed to perform the services hereunder. MMUA may rely on the accuracy of information provided by Grand Rapids Public Utilities and its representatives.
- Provide annual written evaluation of services of MMUA and its Regional Safety Coordinator.

3. MMUA OBLIGATIONS:

- Employ, assign, and supervise Regional Safety Coordinator.
- Plan, organize, and/or conduct regular monthly safety meetings on-site.
- Develop and maintain a standard safety management record keeping and reporting system on-site, including required OSHA records, required DOT records, required ADA records, and maintenance of safety manuals.
- Monitor safety training/certificate/licensure requirements, and recommend needed training.
- Prepare or oversee the preparation of required state and federal reports related to OSHA, DOT, and ADA compliance.
- Document safety meetings and training provided.
- Provide a standard interpretation of laws, rules, and regulations pertaining to safety management.

## PART IV – STANDARD TERMS AND CONDITIONS

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1. **INDEPENDENT CONTRACTOR:** In performing the Services, MMUA is an independent contractor and shall not be considered an employee, agent, partner, joint venturer, or representative of Grand Rapids Public Utilities for any purpose.
2. **STANDARD OF CARE:** Grand Rapids Public Utilities acknowledges that MMUA undertakes to provide the Services to Grand Rapids Public Utilities as a member of MMUA and, similarly to other members of MMUA, consistent with its nonprofit purpose and that in so doing, MMUA affords to Grand Rapids Public Utilities a convenience, cost savings, and efficiency otherwise not available to Grand Rapids Public Utilities from other service providers. Grand Rapids Public Utilities acknowledges that MMUA will exercise its best efforts to perform the Services in accordance with current rules and practices but also acknowledges that the ultimate responsibility for an interpretation of law lies with Grand Rapids Public Utilities and its attorney and that the application of such law and of the appropriate methods and practices also lies with Grand Rapids Public Utilities in the exercise of its best judgment with reasonable and due regard for the safety of its employees and other third persons. MMUA assumes no responsibility under this Agreement other than to render the Services in good faith. It shall not be responsible for any action of Grand Rapids Public Utilities, its agents, or employees.
3. **SCOPE AND SCHEDULE CHANGES:** The fees agreed to in Part III constitute MMUA's estimate of the effort and charges required to perform the Services. Any services not expressly set forth in this Agreement are excluded from the obligations of MMUA. If MMUA is delayed in performing the Services by any act of war, force majeure, or other circumstance beyond its control, then the schedule of performance shall be extended for the number of days as the occurrence delays performance, and the compensation limits under the Agreement shall be equitably adjusted, if necessary, to compensate MMUA for any additional costs due to the delay.
4. **BENEFICIARY.** The Services are solely for the benefit of Grand Rapids Public Utilities. Nothing contained in this Agreement shall create any duties, liabilities, or obligations on the part of MMUA toward any person other than Grand Rapids Public Utilities.
5. **FINANCING CHARGES FOR LATE PAYMENTS:** If Grand Rapids Public Utilities fails to pay undisputed invoiced amounts within thirty (30) days after delivery of invoice, additional charges shall become due and payable at a rate of 1½ percent per month (or the maximum percentage allowed by law, whichever is lower) on the unpaid amounts. All payments shall first be credited against any accrued interest. If Grand Rapids Public Utilities fails to pay invoiced amounts within sixty (60) days after delivery of invoice, MMUA in its sole discretion may suspend the Services without incurring any liability or waiving any right established hereunder or by law.
6. **WORK PRODUCT:** Grand Rapids Public Utilities shall preserve and protect MMUA's proprietary and copyright interests, rights, and privileges with respect to works of general application provided by MMUA to Grand Rapids Public Utilities. The Parties may use and duplicate materials developed by MMUA specifically for Grand Rapids Public Utilities pursuant to this Agreement without obligation of royalty or first seeking consent.
7. **INSURANCE:** Each Party shall procure and maintain at its own expense the following minimum insurance coverages to be in force for the duration of this Agreement:

- a. **General Liability.** Commercial General Liability Insurance in a minimum amount of \$1,000,000 per occurrence; \$2,000,000 annual aggregate. The policy shall cover liability arising from premises, operations, products-completed operations, personal injury, advertising injury, and contractually assumed liability. Each Party shall endorse as additional insureds the other Party, its respective elected and appointed officials, employees, and agents, on its policy.
  - b. **Automobile Liability.** Business automobile liability insurance, including owned, hired, and non-owned automobiles, with a minimum combined single liability limit of \$1,000,000 per occurrence.
  - c. **Professional (Errors and Omissions) Liability.** Professional Liability Insurance for all claims a Party may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to this Agreement. Each Party shall carry the following minimum limits: \$1,000,000 per occurrence; \$2,000,000 annual aggregate. If such insurance is discontinued, extended reporting period/tail coverage must be obtained by the Party to fulfill this requirement.
  - d. **Workers' Compensation.** Each Party shall maintain Workers' Compensation insurance for all its respective employees in accordance with the statutory requirements of the State of Minnesota and/or the state(s) in which Grand Rapids Public Utilities is legally obligated to carry such insurance. Each Party shall also carry Employers' Liability Coverage with minimum limits as follows:
    - \$500,000 – Bodily Injury by Disease per employee
    - \$500,000 – Bodily Injury by Disease aggregate
    - \$500,000 – Bodily Injury by Accident
  - e. **Additional Insurance Conditions.**
    - i. Each Party shall deliver to the other Party a Certificate of Insurance as evidence that the above coverages are in full force and effect no later than the first day on which service is to commence or December 31, 2023, whichever comes later.
    - ii. The insurance requirements may be met through any combination of primary and umbrella/excess insurance. In that case, the other Party must be named as an additional insured on any umbrella/excess policy held by the other in fulfillment of this requirement.
    - iii. The policies held by each Party shall be primary insurance and non-contributory to any other valid and collectible insurance available with respect to any claim arising out of the Services.
8. **MUTUAL INDEMNIFICATION:** To the fullest extent permitted by law, each Party shall defend, indemnify, and hold harmless the other Party, its respective employees, officials, and agents from and against all claims, actions, damages, losses, and expenses, including reasonable attorney fees and costs, arising out of the other Party's negligence, performance, or failure to perform its obligations under this Agreement. The indemnification obligation shall apply to subcontractor(s), or anyone directly or indirectly employed or hired by a Party, or anyone for whose acts the Party may be liable. The obligations in this section shall survive the completion or termination of this Agreement.

9. DISPUTE RESOLUTION: In the event that a dispute arises between the Parties as to the interpretation or performance of this Agreement, then upon written request of either Party, representatives with settlement authority for each Party shall meet and confer in good faith to resolve the dispute. If the Parties are unable to resolve the dispute, they shall make every effort to settle the dispute through mediation or other alternative dispute resolution methods. If the Parties are unable to resolve the dispute through these methods, either Party may commence an action in Hennepin County District Court.
10. ENTIRE AGREEMENT; HEADINGS: This Agreement constitutes the entire understanding and agreement of the Parties, and any and all prior agreements, oral discussions, understandings, and representations are hereby terminated and canceled in their entirety and are of no further force and effect. Headings are for convenience and are not a part of this Agreement.
11. CHOICE OF LAW: The laws of the state of Minnesota shall govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the Parties.
12. ASSIGNMENT: This Agreement will inure to the benefit of the Parties hereto and shall be binding on them and their respective legal representatives, successors, and assigns. Provided, however, neither Party hereto may assign any of its rights herein to any person without the prior written consent of the other Party.
13. DRAFTING: The Parties agree that they participated equally in, and are jointly responsible for, the drafting of this Agreement. In the event of any dispute, any ambiguity in this Agreement shall not be construed against either Party.
14. COUNTERPARTS: This Agreement may be executed in counterpart copies by the Parties and each counterpart, when taken together with the other, shall be deemed one and the same executed Agreement.

### Overview of Safety Management Tiers

Options	Tier 1 - Compliance/Mentorship	Tier 2 - Competency	Tier 3 - Comprehensive
<b>Time</b>	6 Service Days Per Year (Every Other Month)	1 - 3 Service Days Per Month	> 3 Service Days Per Month
<b>Included (as time allows)*</b>	1. Written Safety Manual Development and Maintenance - AWAIR - Bloodborne Pathogens - Confined Spaces Entry and Rescue - Employee Right to Know - Emergency Action Plan and Preparedness - Excavation and Trenching - Lockout/Tagout - Fall Protection - Personal Protective Equipment 2. Group Employee Training (in person or virtual) 3. Annual Safety Training Calendar 4. Standardized Safety Program Filing and File Management	1. Written Safety Manual Development and Maintenance - AWAIR - Bloodborne Pathogens - Confined Spaces Entry and Rescue - Employee Right to Know - Emergency Action Plan and Preparedness - Excavation and Trenching - Lockout/Tagout - Fall Protection - Personal Protective Equipment 2. Group Employee Training (in person or virtual) 3. CPR/AED/First Aid Training 4. Annual Safety Training Calendar 5. Standardized Safety Program Filing and File Management 6. Facility Safety Audit - Mock OSHA Inspection with Report 7. Worksite Safety Audit - Mock OSHA Inspection with Report 8. Worksite Training 9. Safety Grant Development and Support 10. Accident Investigation 11. OSHA Inspection Support Services 12. Limited Classic Training - Choose up to 5 options from MMUA's list of Classic Training Options	1. Written Safety Manual Development and Maintenance - AWAIR - Bloodborne Pathogens - Confined Spaces Entry and Rescue - Employee Right to Know - Emergency Action Plan and Preparedness - Excavation and Trenching - Lockout/Tagout - Fall Protection - Personal Protective Equipment 2. Group Employee Training (in person or virtual) 3. CPR/AED/First Aid Training 4. Annual Safety Training Calendar 5. Standardized Safety Program Filing and File Management 6. Facility Safety Audit - Mock OSHA Inspection with Report 7. Worksite Safety Audit - Mock OSHA Inspection with Report 8. Worksite Training 9. Safety Grant Development and Support 10. Accident Investigation 11. OSHA Inspection Support Services 12. Unlimited Classic Training - Choose an unlimited number of options from MMUA's list of Classic Training Options 13. Unlimited Technical Training - Choose an unlimited number of options from MMUA's list of Technical Training Options

\*Included offerings are subject to number of days contracted. MMUA's role as a safety partner does not guarantee compliance or competency.



## **GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM**

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**AGENDA DATE:** December 13, 2023

**AGENDA ITEM:** Consider a motion to approve the amended bylaws.

**PREPARED BY:** Julie Kennedy, General Manager

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### **BACKGROUND:**

As discussed at our November 22 meeting, the Commission approved holding the Regular Work Sessions on the second Wednesday of the month, and the Regular Meetings on the fourth Wednesday of the month.

Required notice was given at the November 22 meeting of the proposed amendment to the bylaws regarding Regular Meetings dates.

### **RECOMMENDATION:**

Approve the amended bylaws.



# **Bylaws of the Grand Rapids Public Utilities Commission**

## **Background**

The Public Utilities Commission (the “PUC”) was established in 1910 with the mandate to operate the electrical, water and waste water treatment systems for the City of Grand Rapids. As of 2006, the PUC has approximately 45 employees and serves 6880 electrical customers, 3322 water customers and 3270 wastewater treatment customers.

## **By-Laws (adopted October 11, 2006)**

These By-Laws apply to the conduct of the Board of Commissioners which governs the PUC. Extensive rules, regulations, rate schedules and procedures govern the PUC service delivery. Employee rights and responsibilities are documented in the Personnel Policy Manual and elsewhere.

## **Article I – Name**

The name of the organization is the Grand Rapids Public Utilities Commission.

## **Article II - Purpose**

The PUC was established in 1910 under Minnesota Statutes Chapter 412 and is charged with the responsibility to operate and manage the electrical distribution system, the water supply system and the wastewater collection and treatment system for the City of Grand Rapids. The PUC also serves the nearby communities and rural areas through contracts or state mandated service territories.

## **Article III - Membership**

Section 1: Five (5) Commission Board members (“Commissioners”) are appointed by the Grand Rapids City Council:

(1) No more than one member may be chosen from the City Council membership, which membership shall terminate when that member ends city council membership, at which time the vacancy created shall be filled for the balance of the unexpired term in the manner in which the original appointment was made.

(2) The City Council may set the term of the Commissioner who is a member of the City Council to coincide with that member’s term of office as a member of the City Council.

(3) Each member shall serve for a term of three (3) years and until a successor is appointed and qualified, except that appointments shall be staggered so that the term for no more than two positions shall expire in any year.

#### **Article IV - Meetings**

- Section 1: Regular meetings shall be the ~~second~~ **fourth** Wednesday of the month at 4:00 p.m. Special and emergency meetings may be called from time-to-time with notice according to law.
- Section 2: Three of the five Commissioners shall constitute a quorum.
- Section 3: Robert's Rules of Order shall govern.
- Section 4: All members of the commission shall have equal voting rights.
- Section 5: All meetings shall be conducted in compliance with Minnesota open meeting laws.

#### **Article V - Officers**

- Section 1: The Commission members shall annually choose a President from among its own members. The Commission members shall also appoint a Secretary for an indefinite term. The Secretary need not be a member of the Commission.
- Section 2: The Commission members shall have the power to remove any officer chosen by the Commission who, in the opinion of the Commission, is not serving the best interests of the PUC.

#### **Article VI – Powers and Duties of the Commission and Officers**

- Section 1: The President shall act as the executive officer, convene meetings, and execute documents for the Commission.
- Section 2: The Commission shall exercise general supervision over the PUC manager.
- Section 3: The Commission member with the most seniority on the Commission shall act in place of the President during his/her absence.
- Section 4: The Secretary shall ensure that meetings are posted and minutes kept.
- Section 5: The Commission shall ensure that proper financial records are kept and that the accounts are audited annually by an independent auditor.

### **Article VII – Conflict of Interest**

Commissioners shall abide by the Ethics Policy of the PUC.

### **Article VIII – Adoption**

These By-Laws shall become effective upon the approval of a majority of the members of the Commission.

### **Article IX – Amendments**

Section 1: Notice of proposed amendments to the By-Laws shall be posted two weeks before the next regular meeting.

Section 2. A majority of the Commissioners shall approve changes to the By-Laws.

### **Article X – Remuneration**

Section 1: No member of the Commission shall receive a salary except as fixed by the Council.

Section 2: The Secretary shall receive a salary fixed by the Commission.

### **Article XI – Dissolution**

The process for dissolution, abolition of the Commission or utility transfer is described by Minnesota State Statutes.



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** December 13, 2023

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Cogsdale for \$15,750 to install MS GP Dynamics, CMG, CSM 18.6 upgrade and provide technical support.

**PREPARED BY:** Jean M. Lane, Business Services Manager

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### **BACKGROUND:**

This purchase was unexpected and not planned in the approved Business Services Department 2023 operations budget. The 2024 payroll tax tables are included in the 18.6 upgrade and are not available separately from the full upgrade. This purchase was made with Procurement Policy G.030 being followed.

Certificate of insurance and copy of signed contract on file.

### **RECOMMENDATION:**

Approve a motion to ratify the procurement contract with Cogsdale for \$15,750 to install MS GP Dynamics, CMG, CSM 18.6 upgrade and provide technical support.

<b>Client</b>	Grand Rapids Public Utilities Commission	<b>Client Contact</b>	Jean Lane
<b>Project Manager</b>		<b>Prepared By</b>	Jordan Asling
<b>Reference Number</b>	QUO-08386	<b>Case Number</b>	
<b>Quote Effective Date</b>	November 9, 2023	<b>Client PO</b>	
<b>Description</b>	Microsoft Dynamics GP and CSM Upgrade (with CMG)		

## Pricing

	Quantity	Rate	Total
<b>Services</b>			
Technical Upgrade	1	15,750	\$ 15,750.00
<b>Sub-Total</b>			<b>\$ 15,750.00</b>
<b>Total</b>			<b>\$ 15,750.00</b>

## Payment Terms

Upon execution of this quote the following payment terms will apply:

### Services

- 50% due on installation in Test environment or 90 days after quote signing, whichever occurs first
- 50% due on installation in Production environment or 120 days after quote signing, whichever occurs first

### Maintenance and Support

N/A

### Expenses

N/A – Work to be performed remotely

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## Notes

- This quote is valid for 60 days from the quote effective date.
- This quote is fixed based on the current information available. If a scope change occurs Cogsdale will work with the client to come to a mutually acceptable adjustment to the original quote.
- Client must be current with their annual Maintenance and Support Contract during the life of the project.
- Typically, scheduling of resources is 2-4 weeks out from the receipt of an approved SOW/quote unless otherwise agreed upon.
- Client must ensure that they have prerequisites (ie SQL Server) and hardware in place that meets the minimum requirements for the latest version of Microsoft Dynamics GP.
- Deployment in the Microsoft Dynamics GP Web Client is outside the scope of this work and will be quoted separately.
- Replacements for unsupported products (ie Business Portal) will be quoted separately.
- If client has an outstanding AR balance over 30 days, Cogsdale reserves the right to stop or not start project work.
- Statement of work is defined in the sections following the authorization.

## Authorization

Signature indicates the parties have read, understood, and agreed to all the contents of this quote.

In lieu of a signature, a purchase order can be provided to indicate acceptance of this quote.

Authorized by Client:	Authorized by Cogsdale:
	
<b>Name/Date</b> Julie Kennedy - 11/15/2023	<b>Name/Date</b> Jordan Asling – 11/9/2023

For Inquiries, Please Contact:

Jordan Asling  
Account Executive  
Cogsdale Corporation  
18 Great George Street  
Charlottetown, PE C1A 4J6, Canada  
Phone: (289) 838-5038  
[jasling@cogsdale.com](mailto:jasling@cogsdale.com)

## Client Description

Grand Rapids Public Utilities Commission (“Grand Rapids”) has requested assistance to upgrade Microsoft Dynamics GP and it is Cogsdale’s recommendation to upgrade CMG and CSM from their current versions to the latest versions. Currently, Grand Rapids is running Microsoft Dynamics GP 2018 (18.4), and CSM Build 2021R1.1.

## Statement of Work

### Technical Upgrade

A technical consultant will work with Grand Rapids to perform the following tasks:

- Install the latest version of Microsoft Dynamics GP, CMG, CSM, and related 3<sup>rd</sup> parties purchased thru Cogsdale on a test server. This includes restoring Production data to a Test environment for testing.
- Install and verify the latest version of Microsoft Dynamics GP, CSM and related 3<sup>rd</sup> parties purchased thru Cogsdale in a Production environment after testing is completed by Grand Rapids.
- Provide assistance with any technical issues that arise during testing.
- Provide go-live support the week the upgrade put in place. This includes technical issues that arise with the software installation.
- Project Management. A project manager will provide overall project guidance, project plan, risk management, time reporting, status reports, scope, and budget control.
- Services to be provided remotely.

### Grand Rapid’s Responsibilities

1. Provide IT assistance for accessing environments.
2. Verify access to remote meeting options are available (LiveMeeting, Teams, Remote Desktop, and/or Zoom).
3. Provide a Test environment for the upgrade.
4. Verify Test environment upgrade prior to performing upgrade in Production environment.

Ensure appropriate staff at Grand Rapid’s are available for general questions.

*Under no circumstances shall Cogsdale Corporation be liable for any special, indirect, consequential, punitive, or incidental damages of any kind and shall not be liable for loss of profits, works stoppage, system failure or malfunction, loss of data or any other damages or losses in connection with this statement of work. Cogsdale Corporation shall not be liable to pay any amount, in the aggregate, that is greater than the fees received by Cogsdale Corporation under this statement of work.*





## **GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM**

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**AGENDA DATE:** December 13, 2023

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Cogsdale for \$2,100 to provide professional services for end-of-year payroll processes.

**PREPARED BY:** Jean M. Lane, Business Services Manager

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### **BACKGROUND:**

This purchase is in the approved Business Services Department 2023 operations budget and was made with Procurement Policy G.030 being followed.

Certificate of insurance and copy of signed contract on file.

### **RECOMMENDATION:**

Approve a motion to ratify the procurement contract with Cogsdale for \$2,100 to provide professional services for end-of-year payroll processes.

# Quote

<b>Client</b>	Grand Rapids Public Utilities Commission	<b>Client Contact</b>	Jean Lane
<b>Project Manager</b>		<b>Prepared By</b>	Jordan Asling
<b>Reference Number</b>	QUO-08388	<b>Case Number</b>	
<b>Quote Effective Date</b>	November 15, 2023	<b>Client PO</b>	
<b>Description</b>	Year End Payroll Assistance		

## Pricing (\$USD)

	Quantity	Rate	Total
<b>Services</b>			
Professional Services + Project Management	10	\$ 210.00	\$ 2,100.00
<b>Sub-Total</b>			\$ 2,100.00
<b>Total</b>			\$ 2,100.00

## Payment Terms

The above services numbers are fixed based on the current understanding of work as outlined in the Statement of Work. The following payment terms apply:

- 50% due upon signing of quotation
- 50% due on completion of the tasks as outlined in the statement of work or 90 days after quote signing, whichever occurs first

## Maintenance and Support

Not applicable.

## Expenses

Not applicable. Work to be performed remotely.



**Notes**

- This quote is valid for 90 days from the quote effective date.
- This quote is estimated based on the current information available. If a scope change occurs Cogsdale will work with the client to come to a mutually acceptable adjustment to the original quote.
- Typically, scheduling of resources is 2-4 weeks out from the receipt of an approved SOW/quote unless otherwise agreed upon.
- If client has an outstanding AR balance over 30 days, Cogsdale reserves the right to stop or not start project work.
- Clients must be current with their annual Maintenance and Support Contract during the life of the project.
- Statement of work is defined in the sections following the authorization.

**Authorization**

Signature indicates the parties have read, understood and agreed to all the contents of this quote.

In lieu of a signature, a purchase order can be provided to indicate acceptance of this quote.

Authorized by Client:	Authorized by Cogsdale:
	
<p><b>Name/Date</b> Julie A Kennedy - 11/15/2023</p>	<p><b>Name/Date</b> Jordan Asling – 11/15/2023</p>

For Inquiries, Please Contact:

Jordan Asling  
 Account Executive  
 Cogsdale Corporation  
 18 Great George Street  
 Charlottetown, PE C1A 4J6, Canada  
 Phone: (289) 838-5038  
[jasling@ogsdale.com](mailto:jasling@ogsdale.com)

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## Statement of Work

Cogsdale will provide 10 hrs. of professional services to perform the following tasks:

- 8 Hours – Year end training on Microsoft Dynamics GP’s Payroll Year End Process
- 2 Hours - Project Management. A project manager will provide overall project guidance, project plan, risk management, time reporting, status reports, scope, and budget control.

### Grand Rapids Responsibilities

1. Ensure appropriate staff at Grand Rapids are available for general questions.
2. Provide IT assistance for accessing environments or do a screen share to walk through the process.
3. Verify access to remote meeting options are available (LiveMeeting, Teams, Remote Desktop, and/or Zoom).
4. Provide a Test environment.

*Under no circumstances shall Cogsdale Corporation be liable for any special, indirect, consequential, punitive, or incidental damages of any kind and shall not be liable for loss of profits, works stoppage, system failure or malfunction, loss of data or any other damages or losses in connection with this statement of work. Cogsdale Corporation shall not be liable to pay any amount, in the aggregate, that is greater than the fees received by Cogsdale Corporation under this statement of work.*



## **GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM**

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**AGENDA DATE:** December 13, 2023

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with CLA for not to exceed \$5,000 providing professional services to assess GRPU use of Federal Energy Regulatory Commission (FERC) accounting versus using only Generally Accepted Accounting Principles (GAAP)/Government Accounting Standards Board (GASB) accounting.

**PREPARED BY:** Jean M. Lane, Business Services Manager

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### **BACKGROUND:**

This purchase is in the approved Business Services Department 2023 operations budget and was made with Procurement Policy G.030 being followed.

Certificate of insurance and copy of signed contract on file.

### **RECOMMENDATION:**

Approve a motion to ratify the procurement contract with CLA for not to exceed \$5,000 providing professional services to assess GRPU use of Federal Energy Regulatory Commission (FERC) accounting versus using only Generally Accepted Accounting Principles (GAAP)/Government Accounting Standards Board (GASB) accounting.



CliftonLarsonAllen LLP  
<https://www.claconnect.com>

October 17, 2023

This document constitutes a statement of work ("SOW") under the master service agreement ("MSA") dated September 29, 2023, or superseding MSA, made by and between CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") and Grand Rapids Public Utilities Commission ("you," "your," or "the entity"). We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services CLA will provide for the entity as of and for the year ended December 31, 2023.

### **Objectives**

We understand that you need an assessment done regarding the Utilities use of FERC accounting versus using only GAAP/GASB accounting?. Simply stated, you have identified the following objectives for this engagement:

- a) What accounting policies differ between regular GAAP/GASB accounting and FERC accounting and are they actually fully using all FERC policies or just with regards to the meters and transformers.
- b) What would the yearly impact be if water meters and transformers were not depreciated until placed into service.
- c) What kinds of things the FERC chart of accounts requires or clearly defines that they may want to consider including in their COA in case they ever need to do any FERC reporting.

We will perform the engagement in accordance with the Statement on Standards for Consulting Services issued by the American Institute of Certified Public Accountants.

### **Approach**

Our approach emphasizes active involvement by management throughout the process. The consulting engagement will be performed with the following components:

Upon request of the entity, CLA shall make its resources available to provide additional consultative services to the entity.

### **Client information requirements**

The entity agrees it is solely responsible for the accuracy, completeness, and reliability of all of the entity's data and information that it provides CLA for our engagement. The entity agrees it will provide any requested information on or before the date we commence performance of the services.

**Management responsibilities**

For all nonattest services we may provide to you, including these consulting services, you agree to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services. You have designated Jean Lane, Business Services Manager to fulfill this role. You will be solely responsible for making all decisions concerning the contents of our communications and reports, for the adoption of any plans, and for implementing any plans you may develop, including any that we may discuss with you. Management is responsible for the design, implementation, and maintenance of effective internal control over financial reporting and over compliance, including evaluating and monitoring ongoing activities, (1) relevant to the preparation and fair presentation of financial statements that are free from material misstatement, (2) to prevent and detect fraud, and (3) to ensure that the entity complies with applicable laws and regulations. Management is responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services.

**Deliverables**

We will maintain ongoing communication with the liaison assigned to work closely with us and will meet with management leaders, as requested, regarding the status of our progress throughout this engagement. In addition, we will deliver a final report that will summarize our findings, observations, and any recommendations that we may have.

Specific items to be included in our report are as follows:

- a) Memo on recommendation of what accounting regulations to use.

The entity agrees any reports or deliverables CLA provides to the entity are only for the internal use of the entity's management. They may not be distributed to any other person or party, for any purpose, without our prior written consent. The entity further agrees to hold any information, reports, or deliverables that CLA provides to the entity in confidence and agrees that the entity will not disclose such to any other person or party, unless CLA authorizes the entity to do so, it is published or released by us, or it becomes then publicly known or available other than through disclosure by the entity.

**Timing**

CLA is able to begin our services within November 21, 2023 following our receipt of this agreement with the entity's signature.

**Personnel**

Our firm has adopted a team approach to client service, which means that CLA will provide the entity with a team of people who have the relevant knowledge and experience to perform the work plan outlined above.

Michelle Hoffman will provide primary contact and project management.

**Scope of agreement**

This agreement applies to all aspects of our relationship and to any other or additional services CLA may render to the entity at any time, unless they are covered by a separate written agreement that the entity and

CLA both sign.

**Fees**

Our professional fees will be billed based on the time involved and the degree of responsibility and skills required. We will also bill for expenses (including travel, internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Based on our preliminary estimates, the total fees and expenses for the engagement should approximate no more than \$5,000. This estimate is based on anticipated cooperation from your personnel and their assistance with locating requested documents and preparing requested schedules. If the requested items are not available on the dates required or are not accurate and complete, additional fees and expenses will likely be assessed. Our invoices, including applicable state and local taxes, will be rendered each month as work progresses and are payable on presentation.

**Record retention**

Our working papers, including any copies of your records that we chose to make, are our property and will be retained by us in accordance with our established records retention policy. This policy states, in general, that we will retain our working papers for a period of seven years. After this period expires, our working papers and files will be destroyed. Furthermore, physical deterioration or catastrophic events may shorten the time our records are available. The working papers and files of our firm are not a substitute for the entity's records.

**Agreement**

CLA appreciates the opportunity to assist the entity and believes that this SOW accurately summarizes the terms of our engagement. This letter constitutes the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please contact us.

If the entity agrees with the terms of this engagement as described in this SOW, please sign and date and return it to us. By returning this SOW, the entity is authorizing us to commence our services.

Sincerely,

**CliftonLarsonAllen LLP**



**CLA**  
ORG: \_\_\_\_\_

**Client** Grand Rapids Public Utilities  
ORG: Commission \_\_\_\_\_

NAME: Mary Reedy \_\_\_\_\_

NAME: Julie Kennedy \_\_\_\_\_

TITLE: Principal \_\_\_\_\_

TITLE: General Manager \_\_\_\_\_

SIGN: *Mary Reedy* \_\_\_\_\_

SIGN: *Julie Kennedy* \_\_\_\_\_

DATE: November 21, 2023 \_\_\_\_\_

DATE: 11-21-2023 \_\_\_\_\_



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

---

**AGENDA DATE:** December 13, 2023

**AGENDA ITEM:** Consider a motion to approve the December 2023 semi-annual write off of \$43,153.79 uncollectible accounts receivable.

**PREPARED BY:** Jean Lane, Business Services Manager

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### **BACKGROUND:**

The CSR team has performed internal and external collection processes for the attached listing of uncollectible customer accounts receivable.

The attached list, with redacted customer information for privacy, shows the amounts of the requested accounts to write off as uncollectible.

The CSR team has worked diligently to review several years of outstanding account receivable delinquent balances. This resulted in a higher request to write off uncollectible balances this December than previous semi-annual Commission requests. Unfortunately, two customers in early 2022 had water leaks which amounted to \$24,339 of the total uncollectible amount and resulted in disconnection of water services.

The request to write off uncollectible customer accounts receivable will be presented to the Grand Rapids Public Utilities Commission twice per year.

### **RECOMMENDATION:**

A motion to approve the December 2023 semi-annual write off of \$43,153.79 uncollectible accounts receivable.

	A	B	C	D	E	F
1	<b>For Commission to Approve Write-off - December 2023 Meeting</b>					
2	<b>Account #</b>	<b>Customer Name</b>	<b>Service Address</b>	<b>Reason</b>	<b>Closed</b>	<b>Amount</b>
3	518672-118672			Deceased - Dec. 2019	12/31/2022	\$431.88
4	526652-132499			Deceased - June 11, 2022	6/30/2023	\$597.02
5				Statute of Limitations	6/30/2023	\$189.92
6	501212-129561			Statute of Limitations	6/30/2023	\$85.01
7	504109-129496			Statute of Limitations	6/30/2023	\$77.78
8	508377-129758			Statute of Limitations	6/30/2023	\$204.51
9	511489-130200			Statute of Limitations	6/30/2023	\$341.77
10	513818-128762			Statute of Limitations	6/30/2023	\$98.69
11	514506-130427			Statute of Limitations	6/30/2023	\$78.49
12	515692-127909			Statute of Limitations	6/30/2023	\$705.11
13	516312-130158			Statute of Limitations	6/30/2023	\$54.69
14	517161-129540			Statute of Limitations	6/30/2023	\$295.01
15	517331-129552			Statute of Limitations	6/30/2023	\$200.90
16	517331-130326			Statute of Limitations	6/30/2023	\$276.03
17	517481-130103			Statute of Limitations	6/30/2023	\$717.06
18	517930-129398			Statute of Limitations	6/30/2023	\$150.70
19	518047-129302			Statute of Limitations	6/30/2023	\$205.16
20	518128-129474			Statute of Limitations	6/30/2023	\$298.06
21	520293-129664			Statute of Limitations	6/30/2023	\$280.12
22	520347-120347			Statute of Limitations	6/30/2023	\$18.05
23	520933-129861			Statute of Limitations	6/30/2023	\$51.87
24	521037-128677			Statute of Limitations	6/30/2023	\$163.10
25	521319-127468			Statute of Limitations	6/30/2023	\$272.33
26	521831-125833			Statute of Limitations	6/30/2023	\$87.50
27	522223-129955			Statute of Limitations	6/30/2023	\$388.57
28	522677-130424			Statute of Limitations	6/30/2023	\$365.28
29	522711-128140			Statute of Limitations	6/30/2023	\$191.18
30	522878-130184			Statute of Limitations	6/30/2023	\$118.99
31	522954-129305			Statute of Limitations	6/30/2023	\$189.03
32	523428-130119			Statute of Limitations	6/30/2023	\$580.27
33	523465-129360			Statute of Limitations	6/30/2023	\$160.18
34	523503-128735			Statute of Limitations	6/30/2023	\$68.65
35	523729-128709			Statute of Limitations	6/30/2023	\$41.96
36	523882-129906			Statute of Limitations	6/30/2023	\$72.84

	A	B	C	D	E	F
37	524009-118128			Statute of Limitations	6/30/2023	\$11.74
38	524225-130025			Statute of Limitations	6/30/2023	\$17.71
39	524356-130169			Statute of Limitations	6/30/2023	\$347.89
40	524442-120319			Statute of Limitations	6/30/2023	\$160.32
41	524442-129264			Statute of Limitations	6/30/2023	\$462.71
42	524458-130106			Statute of Limitations	6/30/2023	\$601.05
43	524529-129114			Statute of Limitations	6/30/2023	\$65.73
44	524618-133245			Bankrupt	6/30/2023	\$1,365.20
45	524633-129942			Statute of Limitations	6/30/2023	\$204.63
46	524637-128676			Statute of Limitations	6/30/2023	\$201.97
47	524787-124787			Statute of Limitations	6/30/2023	\$285.34
48	524888-130060			Statute of Limitations	6/30/2023	\$41.69
49	524894-128602			Statute of Limitations	6/30/2023	\$106.15
50	525098-129117			Statute of Limitations	6/30/2023	\$127.17
51	525443-129455			Statute of Limitations	6/30/2023	\$114.91
52	525467-129872			Statute of Limitations	6/30/2023	\$467.57
53	525551-129247			Statute of Limitations	6/30/2023	\$109.51
54	525561-127331			Statute of Limitations	6/30/2023	\$93.51
55	525599-125599			Statute of Limitations	6/30/2023	\$58.17
56	525599-128161			Statute of Limitations	6/30/2023	\$45.95
57	525611-128620			Statute of Limitations	6/30/2023	\$192.19
58	525679-129843			Statute of Limitations	6/30/2023	\$63.19
59	525696-128834			Statute of Limitations	6/30/2023	\$172.69
60	525700-128532			Statute of Limitations	6/30/2023	\$728.55
61	525712-129334			Statute of Limitations	6/30/2023	\$125.59
62	525740-127567			Statute of Limitations	6/30/2023	\$76.07
63	525779-130019			Statute of Limitations	6/30/2023	\$86.91
64	525831-129432			Statute of Limitations	6/30/2023	\$100.04
65	525849-128714			Statute of Limitations	6/30/2023	\$244.97
66	526133-127339			Statute of Limitations	6/30/2023	\$421.84
67	526133-128609			Statute of Limitations	6/30/2023	\$172.72
68	525968-134029			Deceased 2/12/2022	7/21/2023	\$305.05
69	525385-127735			Turned over to RCB 9/5/201	7/24/2023	\$182.67
70	527332-131162			Deceased 2/6/2022	7/24/2023	\$116.41
71	511431-128595			Deceased 6/27/2021	7/24/2023	\$125.08
72	524928-132595			Deceased 5/8/2021	7/24/2023	\$113.22
73	505366-119808			Deceased	7/27/2023	\$86.48

	A	B	C	D	E	F
74	525719-130294			Bankrupt	8/31/2023	\$371.57
75	523465-127329			Deceased 7/23/2022	9/20/2023	\$85.58
76	517844-117844			Deceased 6/14/2022	9/20/2023	\$80.81
77	522645-124047			Deceased 9/29/2022	9/21/2023	\$53.97
78	501712-100157			Deceased 9/6/2014	9/22/2023	\$353.80
79	502952-102952			Deceased 12/2/2020	9/22/2023	\$19,424.03
80	510726-110726			Deceased 5/13/2022	9/22/2023	\$4,914.90
81	526340-133774			Deceased 1/26/2022	9/26/2023	\$418.86
82	500837-100837			Deceased 5/24/2020	9/22/2023	\$97.51
83	502456-128300			Deceased	9/22/2023	\$10.82
84	520232-130718			Deceased 11/5/2021	9/29/2023	\$30.64
85	525261-124591			Deceased 9/20/2021	9/29/2023	\$13.23
86	504465-127207			Statute of Limitations	10/2/2023	\$210.54
87	525649-130961			Debtor Deceased	10/2/2023	\$53.63
88	526124-128505			Deceased	10/10/2023	\$5.94
89	526232-121303			Statute of Limitations	10/11/2023	\$131.39
90	525233-105421			Deceased 4/22/2023	10/31/2023	\$388.76
91	526661-125171			Stormwater/Sewer balance	10/31/2023	\$15.67
92	513818-130774			Statute of Limitations	11/6/2023	\$158.50
93	520250-120250			Debtor Deceased 3/14/2022	11/6/2023	\$213.76
94	522845-125612			Deceased 8/19/2021	11/6/2023	\$199.99
95	525386-128233			Statute of Limitations	11/6/2023	\$91.47
96						
97						\$43,153.79



## **GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM**

---

**AGENDA DATE:** December 13, 2023

**AGENDA ITEM:** Consider a motion to award the contract for 2024 Sludge Placement to JRadtke Trucking in the amount of \$67,500 and authorize the General Manager to sign the contract.

**PREPARED BY:** Steve Mattson

---

### **BACKGROUND:**

JRadtke Trucking is a responsible bidder and has won this contract for the last decade.

### **RECOMMENDATION:**

Consider a motion to award the contract for 2024 Sludge Placement to JRadtke Trucking in the amount of \$67,500 and authorize the General Manager to sign the contract.



500 SE Fourth Street • Grand Rapids, Minnesota 55744

**ACCEPTANCE OF QUOTE FOR  
2024 Sludge Placement**

Pursuant to an advertisement for the - 2024 Sludge Placement - project, which includes the placing of hauled sludge into the open landfill of Phases 5-8 with a bulldozer, quotes were requested, received, and tabulated, and the following quotes were received complying with the advertisement:

<u>Bidder</u>	<u>Base Bid</u>
Engineer’s Estimate	\$67,500
JRadtke Trucking	\$67,500

The Water Wastewater Manager is recommending the Base Bid be awarded to JRadtke Trucking (Jim Radtke) who appears to be a responsible bidder.

NOW, THEREFORE, THE GRAND RAPIDS PUBLIC UTILITIES COMMISSION:

Now therefore, the Grand Rapids Public Utilities Commission hereby authorizes and directs the President and Secretary to enter into a contract with JRadtke Trucking in the name of the Grand Rapids Public Utilities Commission for a total contract amount of \$1.50 / cubic yard (estimated to be \$67,500 for 2024) and in accordance to the plans and specifications therefore approved by the Grand Rapids Public Utilities Commission.

**2024 Sludge Placement**  
**Grand Rapids Public Utilities Industrial Sludge Landfill**  
**December 13, 2023**



TABLE OF CONTENTS

<b>Number</b>	<b>Document</b>
00 01 10	<b>Introductory Information</b> Table of Contents
00 43 38 00 52 00	<b>Contract Forms</b> List of Contractor's Equipment Standard Form of Agreement
00 72 00 00 73 00	<b>Conditions of the Contract</b> Standard General Conditions Supplementary Conditions

**DIVISION 1 - GENERAL REQUIREMENTS**

01 77 00	<b>Summary</b> Closeout Procedures
----------	---------------------------------------

**DIVISION 2 - EXISTING CONDITIONS**

02 12 00	Sludge Placement
----------	------------------

**DOCUMENT 00 43 38**

**LIST OF CONTRACTOR'S EQUIPMENT**

Please list all equipment to be used on this project.

Sludge Placement

2003 New Holland DC150 Low Ground Pressure dozer  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STANDARD FORM OF AGREEMENT  
BETWEEN OWNER AND CONTRACTOR  
ON THE BASIS OF A STIPULATED PRICE**

**THIS AGREEMENT** is by and between the Grand Rapids Public Utilities Commission  
(Owner) and James Radtke Trucking (Contractor).

Owner and Contractor hereby agree as follows:

**ARTICLE 1 – WORK**

1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows: 2024 Sludge Placement.

**ARTICLE 2 – THE PROJECT**

2.01 The Project, of which the Work under the Contract Documents is a part, is generally described as follows: Sludge Placement.

**ARTICLE 3 – ENGINEER**

3.01 The Project has been designed by Grand Rapids Public Utilities Commission.

**ARTICLE 4 – CONTRACT TIMES**

4.01 *Time of the Essence*

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 *Contract Times: Dates*

A. The Work will be completed in monthly increments after the date when the Contract Times commence January 1, 2024 and end on December 31, 2024.

4.03 *Liquidated Damages*

A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial loss if the Work is not completed within the times specified in Paragraph 4.02 above, plus any extensions thereof allowed in accordance with the Contract. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):

1. Substantial Completion: Contractor shall pay Owner \$ 0.00 for each day that expires after the time (as duly adjusted pursuant to the Contract) specified in Paragraph 4.02.A above for Substantial Completion until the Work is substantially complete.
2. Completion of Remaining Work: After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Time (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner \$ 0.00 for each day that expires after such time until the Work is completed and ready for final payment.

**ARTICLE 5 – CONTRACT PRICE**

5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents the amounts that follow, subject to adjustment under the Contract:

- A. For all Unit Price Work, an amount equal to the sum of the established unit price for each separately identified item of Unit Price Work times the actual quantity of that item as indicated in Contractor's Bid.

The Bid Prices for Unit Price Work set forth as of the Effective Date of the Agreement are based on estimated quantities. As provided in Paragraph 13.03 of the General Conditions, estimated quantities are not guaranteed, and determinations of actual quantities and classifications are to be made by Engineer as provided in Paragraph 10.06 of the General Conditions.

The Estimated Total of All Unit Price Work is: \$ 67,500

- B. For all Unit Price Work, an amount equal to the sum of the extended prices (established for each separately identified item of Unit Price Work by multiplying the unit price times the actual quantity of that item).

Unit Price Work					
Item No.	Description	Unit	Estimated Quantity	Unit Price	Extended Price
	Sludge Placement	CY	45,000	\$1.50	\$67,500
Total of all Extended Prices for Unit Price Work (subject to final adjustment based on actual quantities)					\$67,500

**ARTICLE 6 – PAYMENT PROCEDURES**

6.01 *Submittal and Processing of Payments*

- A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

6.02 *Progress Payments; Retainage*

- A. Subject to the provisions of SC-15.01.C, Owner shall make monthly progress payments on account of the Contract Price on the basis of Contractor's Applications for Payment during performance of the Work as provided in Paragraph 6.02.A.1 below, provided that such Applications of Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no Schedule of Values, as provided elsewhere in the Contract:
  - 1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract:
    - a. Five (5) percent of Work completed (with the balance being retainage).

6.03 *Final Payment*

- A. Upon final completion and acceptance of the Work in accordance with Paragraph 15.06 of the General Conditions, Owner shall pay the remainder of the Contract Price as recommended by Engineer as provided in said Paragraph 15.06.

**ARTICLE 7 – INTEREST**

7.01 All amounts not paid when due shall bear interest at the rate of five (5) percent per annum.

**ARTICLE 8 – CONTRACTOR’S REPRESENTATIONS**

8.01 In order to induce Owner to enter into this Contract, Contractor makes the following representations:

- A. Contractor has examined and carefully studied the Contract Documents, and any data and reference items identified in the Contract Documents.
- B. Contractor has visited the Site, conducted a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- C. Contractor is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.
- D. Contractor has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings.
- E. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Site-related reports and drawings identified in the Contract Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (3) Contractor’s safety precautions and programs.
- F. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
- G. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
- H. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
- I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
- J. Contractor’s entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

**ARTICLE 9 – CONTRACT DOCUMENTS**

9.01 *Contents*

- A. The Contract Documents consist of the following:
  1. This Agreement (pages 00 52 00-1 to 00 52 00-6, inclusive).
  2. General Conditions (pages 00 72 00-1 to 00 72 00-65, inclusive).
  3. Supplementary Conditions (pages 00 73 00-1 to 00 73 00-4, inclusive).

4. Specifications as listed in the table of contents of the Quotation Packet.
  5. Exhibits to this Agreement (enumerated as follows).
    - a. Contractor's Quotation Form.
    - b. Documentation submitted by Contractor prior to Notice of Award (pages \_\_\_ to \_\_\_, inclusive).
    - c. Certificate of Insurance.
  6. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
    - a. Notice to Proceed.
    - b. Field Order(s).
    - c. Work Change Directive(s).
    - d. Change Order(s).
- B. The documents listed in Paragraph 9.01.A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 9.
- D. The Contract Documents may only be amended, modified, or supplemented as provided in the General Conditions.

## ARTICLE 10 – MISCELLANEOUS

### 10.01 *Terms*

- A. Terms used in this Agreement will have the meanings stated in the General Conditions and the Supplementary Conditions.

### 10.02 *Assignment of Contract*

- A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

### 10.03 *Successors and Assigns*

- A. Owner and Contractor each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

### 10.04 *Severability*

- A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

### 10.05 *Contractor's Certifications*

- A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 10.05:

1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process or in the Contract execution;
2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and
4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.

This Agreement will be effective on January 1, 2024 (which is the Effective Date of the Contract).

OWNER:

Grand Rapids Public Utilities

By: \_\_\_\_\_

Title: Julie Kennedy, General Manager

[CORPORATE SEAL]

Attest: \_\_\_\_\_

Title: \_\_\_\_\_

Address for Giving Notices:

500 SE 4<sup>th</sup> Street

Grand Rapids, MN 55744

\_\_\_\_\_

(If Owner is a corporation, attach evidence of authority to sign. If Owner is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of Owner-Contractor Agreement).

Designated Representative:

Name: Julie Kennedy

Title: General Manager

Address: 500 SE 4<sup>th</sup> Street

Grand Rapids, MN 55744

Phone: 218-326-7687

Facsimile: 218-326-7499

CONTRACTOR:

JRadtke Trucking

By: \_\_\_\_\_

Title: James Radtke, OWNER

[CORPORATE SEAL]

Attest: \_\_\_\_\_

Title: \_\_\_\_\_

Address for Giving Notices:

4457 Hwy 99

Aurora, MN 55705

\_\_\_\_\_

License No. \_\_\_\_\_  
(Where Applicable)

Agent for service of process: \_\_\_\_\_

(If Contractor is a corporation or a partnership, attach evidence of authority to sign.)

Designated Representative:

Name: James Radtke

Title: OWNER

Address: 4457 Hwy 99

Aurora, MN 55705

Phone: 218.780.2213

Facsimile: \_\_\_\_\_



This document has important legal consequences; consultation with an attorney is encouraged with respect to its use or modification. This document should be adapted to the particular circumstances of the contemplated Project and the controlling Laws and Regulations.

## STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

Prepared by



Issued and Published Jointly by



These General Conditions have been prepared for use with the Agreement Between Owner and Contractor for Construction Contract (EJCDC® C-520, Stipulated Sum, or C-525, Cost-Plus, 2013 Editions). Their provisions are interrelated and a change in one may necessitate a change in the other.

To prepare supplementary conditions that are coordinated with the General Conditions, use EJCDC's Guide to the Preparation of Supplementary Conditions (EJCDC® C-800, 2013 Edition). The full EJCDC Construction series of documents is discussed in the Commentary on the 2013 EJCDC Construction Documents (EJCDC® C-001, 2013 Edition).

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# STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

## TABLE OF CONTENTS

	<b>Page</b>
ARTICLE 1 – Definitions and Terminology.....	1
1.01 Defined Terms.....	1
1.02 Terminology .....	5
ARTICLE 2 – Preliminary Matters .....	6
2.01 Delivery of Bonds and Evidence of Insurance.....	6
2.02 Copies of Documents .....	6
2.03 Before Starting Construction .....	6
2.04 Preconstruction Conference; Designation of Authorized Representatives .....	7
2.05 Initial Acceptance of Schedules .....	7
2.06 Electronic Transmittals.....	7
ARTICLE 3 – Documents: Intent, Requirements, Reuse.....	8
3.01 Intent.....	8
3.02 Reference Standards.....	8
3.03 Reporting and Resolving Discrepancies .....	8
3.04 Requirements of the Contract Documents .....	9
3.05 Reuse of Documents .....	10
ARTICLE 4 – Commencement and Progress of the Work .....	10
4.01 Commencement of Contract Times; Notice to Proceed.....	10
4.02 Starting the Work.....	10
4.03 Reference Points .....	10
4.04 Progress Schedule .....	10
4.05 Delays in Contractor’s Progress .....	11
ARTICLE 5 – Availability of Lands; Subsurface and Physical Conditions; Hazardous Environmental Conditions .....	12
5.01 Availability of Lands .....	12
5.02 Use of Site and Other Areas .....	12
5.03 Subsurface and Physical Conditions.....	13
5.04 Differing Subsurface or Physical Conditions .....	14
5.05 Underground Facilities .....	15

5.06 Hazardous Environmental Conditions at Site..... 17

ARTICLE 6 – Bonds and Insurance..... 19

6.01 Performance, Payment, and Other Bonds ..... 19

6.02 Insurance—General Provisions ..... 19

6.03 Contractor’s Insurance ..... 20

6.04 Owner’s Liability Insurance ..... 23

6.05 Property Insurance..... 23

6.06 Waiver of Rights ..... 25

6.07 Receipt and Application of Property Insurance Proceeds ..... 26

ARTICLE 7 – Contractor’s Responsibilities ..... 26

7.01 Supervision and Superintendence ..... 26

7.02 Labor; Working Hours ..... 26

7.03 Services, Materials, and Equipment..... 26

7.04 “Or Equals” ..... 27

7.05 Substitutes ..... 28

7.06 Concerning Subcontractors, Suppliers, and Others ..... 29

7.07 Patent Fees and Royalties ..... 31

7.08 Permits ..... 31

7.09 Taxes ..... 32

7.10 Laws and Regulations..... 32

7.11 Record Documents ..... 32

7.12 Safety and Protection..... 32

7.13 Safety Representative ..... 33

7.14 Hazard Communication Programs ..... 34

7.15 Emergencies ..... 34

7.16 Shop Drawings, Samples, and Other Submittals..... 34

7.17 Contractor’s General Warranty and Guarantee..... 36

7.18 Indemnification ..... 37

7.19 Delegation of Professional Design Services ..... 37

ARTICLE 8 – Other Work at the Site ..... 38

8.01 Other Work ..... 38

8.02 Coordination ..... 39

8.03 Legal Relationships..... 39

ARTICLE 9 – Owner’s Responsibilities ..... 40

- 9.01 Communications to Contractor..... 40
- 9.02 Replacement of Engineer ..... 40
- 9.03 Furnish Data ..... 40
- 9.04 Pay When Due..... 40
- 9.05 Lands and Easements; Reports, Tests, and Drawings ..... 40
- 9.06 Insurance ..... 40
- 9.07 Change Orders..... 40
- 9.08 Inspections, Tests, and Approvals ..... 41
- 9.09 Limitations on Owner’s Responsibilities ..... 41
- 9.10 Undisclosed Hazardous Environmental Condition..... 41
- 9.11 Evidence of Financial Arrangements..... 41
- 9.12 Safety Programs ..... 41

ARTICLE 10 – Engineer’s Status During Construction ..... 41

- 10.01 Owner’s Representative..... 41
- 10.02 Visits to Site..... 41
- 10.03 Project Representative..... 42
- 10.04 Rejecting Defective Work..... 42
- 10.05 Shop Drawings, Change Orders and Payments..... 42
- 10.06 Determinations for Unit Price Work ..... 42
- 10.07 Decisions on Requirements of Contract Documents and Acceptability of Work ..... 42
- 10.08 Limitations on Engineer’s Authority and Responsibilities..... 42
- 10.09 Compliance with Safety Program..... 43

ARTICLE 11 – Amending the Contract Documents; Changes in the Work..... 43

- 11.01 Amending and Supplementing Contract Documents ..... 43
- 11.02 Owner-Authorized Changes in the Work ..... 44
- 11.03 Unauthorized Changes in the Work ..... 44
- 11.04 Change of Contract Price ..... 44
- 11.05 Change of Contract Times ..... 45
- 11.06 Change Proposals ..... 46
- 11.07 Execution of Change Orders..... 46
- 11.08 Notification to Surety..... 47

ARTICLE 12 – Claims ..... 47

12.01 Claims ..... 47

ARTICLE 13 – Cost of the Work; Allowances; Unit Price Work ..... 48

13.01 Cost of the Work ..... 48

13.02 Allowances ..... 51

13.03 Unit Price Work ..... 51

ARTICLE 14 – Tests and Inspections; Correction, Removal or Acceptance of Defective Work .... 52

14.01 Access to Work..... 52

14.02 Tests, Inspections, and Approvals ..... 52

14.03 Defective Work..... 53

14.04 Acceptance of Defective Work..... 53

14.05 Uncovering Work ..... 54

14.06 Owner May Stop the Work ..... 54

14.07 Owner May Correct Defective Work..... 54

ARTICLE 15 – Payments to Contractor; Set-Offs; Completion; Correction Period ..... 55

15.01 Progress Payments ..... 55

15.02 Contractor’s Warranty of Title ..... 58

15.03 Substantial Completion ..... 58

15.04 Partial Use or Occupancy ..... 59

15.05 Final Inspection ..... 59

15.06 Final Payment..... 60

15.07 Waiver of Claims ..... 61

15.08 Correction Period ..... 61

ARTICLE 16 – Suspension of Work and Termination ..... 62

16.01 Owner May Suspend Work ..... 62

16.02 Owner May Terminate for Cause ..... 62

16.03 Owner May Terminate For Convenience ..... 63

16.04 Contractor May Stop Work or Terminate ..... 63

ARTICLE 17 – Final Resolution of Disputes ..... 64

17.01 Methods and Procedures ..... 64

ARTICLE 18 – Miscellaneous ..... 64

18.01 Giving Notice ..... 64

18.02 Computation of Times..... 64

18.03 Cumulative Remedies ..... 65

18.04 Limitation of Damages ..... 65  
18.05 No Waiver ..... 65  
18.06 Survival of Obligations ..... 65  
18.07 Controlling Law ..... 65  
18.08 Headings..... 65

## ARTICLE 1 – DEFINITIONS AND TERMINOLOGY

### 1.01 *Defined Terms*

- A. Wherever used in the Bidding Requirements or Contract Documents, a term printed with initial capital letters, including the term's singular and plural forms, will have the meaning indicated in the definitions below. In addition to terms specifically defined, terms with initial capital letters in the Contract Documents include references to identified articles and paragraphs, and the titles of other documents or forms.
1. *Addenda*—Written or graphic instruments issued prior to the opening of Bids which clarify, correct, or change the Bidding Requirements or the proposed Contract Documents.
  2. *Agreement*—The written instrument, executed by Owner and Contractor, that sets forth the Contract Price and Contract Times, identifies the parties and the Engineer, and designates the specific items that are Contract Documents.
  3. *Application for Payment*—The form acceptable to Engineer which is to be used by Contractor during the course of the Work in requesting progress or final payments and which is to be accompanied by such supporting documentation as is required by the Contract Documents.
  4. *Bid*—The offer of a Bidder submitted on the prescribed form setting forth the prices for the Work to be performed.
  5. *Bidder*—An individual or entity that submits a Bid to Owner.
  6. *Bidding Documents*—The Bidding Requirements, the proposed Contract Documents, and all Addenda.
  7. *Bidding Requirements*—The advertisement or invitation to bid, Instructions to Bidders, Bid Bond or other Bid security, if any, the Bid Form, and the Bid with any attachments.
  8. *Change Order*—A document which is signed by Contractor and Owner and authorizes an addition, deletion, or revision in the Work or an adjustment in the Contract Price or the Contract Times, or other revision to the Contract, issued on or after the Effective Date of the Contract.
  9. *Change Proposal*—A written request by Contractor, duly submitted in compliance with the procedural requirements set forth herein, seeking an adjustment in Contract Price or Contract Times, or both; contesting an initial decision by Engineer concerning the requirements of the Contract Documents or the acceptability of Work under the Contract Documents; challenging a set-off against payments due; or seeking other relief with respect to the terms of the Contract.
  10. *Claim*—(a) A demand or assertion by Owner directly to Contractor, duly submitted in compliance with the procedural requirements set forth herein: seeking an adjustment of Contract Price or Contract Times, or both; contesting an initial decision by Engineer concerning the requirements of the Contract Documents or the acceptability of Work under the Contract Documents; contesting Engineer's decision regarding a Change Proposal; seeking resolution of a contractual issue that Engineer has declined to address; or seeking other relief with respect to the terms of the Contract; or (b) a demand or assertion by Contractor directly to Owner, duly submitted in compliance with the procedural requirements set forth herein, contesting Engineer's decision regarding a Change Proposal; or seeking resolution of a contractual issue that Engineer



has declined to address. A demand for money or services by a third party is not a Claim.

11. *Constituent of Concern*—Asbestos, petroleum, radioactive materials, polychlorinated biphenyls (PCBs), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to (a) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§9601 et seq. (“CERCLA”); (b) the Hazardous Materials Transportation Act, 49 U.S.C. §§5501 et seq.; (c) the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 et seq. (“RCRA”); (d) the Toxic Substances Control Act, 15 U.S.C. §§2601 et seq.; (e) the Clean Water Act, 33 U.S.C. §§1251 et seq.; (f) the Clean Air Act, 42 U.S.C. §§7401 et seq.; or (g) any other federal, state, or local statute, law, rule, regulation, ordinance, resolution, code, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.
12. *Contract*—The entire and integrated written contract between the Owner and Contractor concerning the Work.
13. *Contract Documents*—Those items so designated in the Agreement, and which together comprise the Contract.
14. *Contract Price*—The money that Owner has agreed to pay Contractor for completion of the Work in accordance with the Contract Documents. .
15. *Contract Times*—The number of days or the dates by which Contractor shall: (a) achieve Milestones, if any; (b) achieve Substantial Completion; and (c) complete the Work.
16. *Contractor*—The individual or entity with which Owner has contracted for performance of the Work.
17. *Cost of the Work*—See Paragraph 13.01 for definition.
18. *Drawings*—The part of the Contract that graphically shows the scope, extent, and character of the Work to be performed by Contractor.
19. *Effective Date of the Contract*—The date, indicated in the Agreement, on which the Contract becomes effective.
20. *Engineer*—The individual or entity named as such in the Agreement.
21. *Field Order*—A written order issued by Engineer which requires minor changes in the Work but does not change the Contract Price or the Contract Times.
22. *Hazardous Environmental Condition*—The presence at the Site of Constituents of Concern in such quantities or circumstances that may present a danger to persons or property exposed thereto. The presence at the Site of materials that are necessary for the execution of the Work, or that are to be incorporated in the Work, and that are controlled and contained pursuant to industry practices, Laws and Regulations, and the requirements of the Contract, does not establish a Hazardous Environmental Condition.
23. *Laws and Regulations; Laws or Regulations*—Any and all applicable laws, statutes, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.

24. *Liens*—Charges, security interests, or encumbrances upon Contract-related funds, real property, or personal property.
25. *Milestone*—A principal event in the performance of the Work that the Contract requires Contractor to achieve by an intermediate completion date or by a time prior to Substantial Completion of all the Work.
26. *Notice of Award*—The written notice by Owner to a Bidder of Owner’s acceptance of the Bid.
27. *Notice to Proceed*—A written notice by Owner to Contractor fixing the date on which the Contract Times will commence to run and on which Contractor shall start to perform the Work.
28. *Owner*—The individual or entity with which Contractor has contracted regarding the Work, and which has agreed to pay Contractor for the performance of the Work, pursuant to the terms of the Contract.
29. *Progress Schedule*—A schedule, prepared and maintained by Contractor, describing the sequence and duration of the activities comprising the Contractor’s plan to accomplish the Work within the Contract Times.
30. *Project*—The total undertaking to be accomplished for Owner by engineers, contractors, and others, including planning, study, design, construction, testing, commissioning, and start-up, and of which the Work to be performed under the Contract Documents is a part.
31. *Project Manual*—The written documents prepared for, or made available for, procuring and constructing the Work, including but not limited to the Bidding Documents or other construction procurement documents, geotechnical and existing conditions information, the Agreement, bond forms, General Conditions, Supplementary Conditions, and Specifications. The contents of the Project Manual may be bound in one or more volumes.
32. *Resident Project Representative*—The authorized representative of Engineer assigned to assist Engineer at the Site. As used herein, the term Resident Project Representative or “RPR” includes any assistants or field staff of Resident Project Representative.
33. *Samples*—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and that establish the standards by which such portion of the Work will be judged.
34. *Schedule of Submittals*—A schedule, prepared and maintained by Contractor, of required submittals and the time requirements for Engineer’s review of the submittals and the performance of related construction activities.
35. *Schedule of Values*—A schedule, prepared and maintained by Contractor, allocating portions of the Contract Price to various portions of the Work and used as the basis for reviewing Contractor’s Applications for Payment.
36. *Shop Drawings*—All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work. Shop Drawings, whether approved or not, are not Drawings and are not Contract Documents.

37. *Site*—Lands or areas indicated in the Contract Documents as being furnished by Owner upon which the Work is to be performed, including rights-of-way and easements, and such other lands furnished by Owner which are designated for the use of Contractor.
38. *Specifications*—The part of the Contract that consists of written requirements for materials, equipment, systems, standards, and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable to the Work.
39. *Subcontractor*—An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work.
40. *Substantial Completion*—The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of Engineer, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms “substantially complete” and “substantially completed” as applied to all or part of the Work refer to Substantial Completion thereof.
41. *Successful Bidder*—The Bidder whose Bid the Owner accepts, and to which the Owner makes an award of contract, subject to stated conditions.
42. *Supplementary Conditions*—The part of the Contract that amends or supplements these General Conditions.
43. *Supplier*—A manufacturer, fabricator, supplier, distributor, materialman, or vendor having a direct contract with Contractor or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Contractor or a Subcontractor.
44. *Technical Data*—Those items expressly identified as Technical Data in the Supplementary Conditions, with respect to either (a) subsurface conditions at the Site, or physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities) or (b) Hazardous Environmental Conditions at the Site. If no such express identifications of Technical Data have been made with respect to conditions at the Site, then the data contained in boring logs, recorded measurements of subsurface water levels, laboratory test results, and other factual, objective information regarding conditions at the Site that are set forth in any geotechnical or environmental report prepared for the Project and made available to Contractor are hereby defined as Technical Data with respect to conditions at the Site under Paragraphs 5.03, 5.04, and 5.06.
45. *Underground Facilities*—All underground pipelines, conduits, ducts, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or attachments, and any encasements containing such facilities, including but not limited to those that convey electricity, gases, steam, liquid petroleum products, telephone or other communications, fiber optic transmissions, cable television, water, wastewater, storm water, other liquids or chemicals, or traffic or other control systems.
46. *Unit Price Work*—Work to be paid for on the basis of unit prices.
47. *Work*—The entire construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction; furnishing, installing, and incorporating all materials and equipment into such construction; and may include related services such as testing, start-up, and commissioning, all as required by the Contract Documents.

48. *Work Change Directive*—A written directive to Contractor issued on or after the Effective Date of the Contract, signed by Owner and recommended by Engineer, ordering an addition, deletion, or revision in the Work.

## 1.02 Terminology

- A. The words and terms discussed in the following paragraphs are not defined but, when used in the Bidding Requirements or Contract Documents, have the indicated meaning.
- B. *Intent of Certain Terms or Adjectives:*
1. The Contract Documents include the terms “as allowed,” “as approved,” “as ordered,” “as directed” or terms of like effect or import to authorize an exercise of professional judgment by Engineer. In addition, the adjectives “reasonable,” “suitable,” “acceptable,” “proper,” “satisfactory,” or adjectives of like effect or import are used to describe an action or determination of Engineer as to the Work. It is intended that such exercise of professional judgment, action, or determination will be solely to evaluate, in general, the Work for compliance with the information in the Contract Documents and with the design concept of the Project as a functioning whole as shown or indicated in the Contract Documents (unless there is a specific statement indicating otherwise). The use of any such term or adjective is not intended to and shall not be effective to assign to Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility contrary to the provisions of Article 10 or any other provision of the Contract Documents.
- C. *Day:*
1. The word “day” means a calendar day of 24 hours measured from midnight to the next midnight.
- D. *Defective:*
1. The word “defective,” when modifying the word “Work,” refers to Work that is unsatisfactory, faulty, or deficient in that it:
    - a. does not conform to the Contract Documents; or
    - b. does not meet the requirements of any applicable inspection, reference standard, test, or approval referred to in the Contract Documents; or
    - c. has been damaged prior to Engineer’s recommendation of final payment (unless responsibility for the protection thereof has been assumed by Owner at Substantial Completion in accordance with Paragraph 15.03 or 15.04).
- E. *Furnish, Install, Perform, Provide:*
1. The word “furnish,” when used in connection with services, materials, or equipment, shall mean to supply and deliver said services, materials, or equipment to the Site (or some other specified location) ready for use or installation and in usable or operable condition.
  2. The word “install,” when used in connection with services, materials, or equipment, shall mean to put into use or place in final position said services, materials, or equipment complete and ready for intended use.

3. The words “perform” or “provide,” when used in connection with services, materials, or equipment, shall mean to furnish and install said services, materials, or equipment complete and ready for intended use.
  4. If the Contract Documents establish an obligation of Contractor with respect to specific services, materials, or equipment, but do not expressly use any of the four words “furnish,” “install,” “perform,” or “provide,” then Contractor shall furnish and install said services, materials, or equipment complete and ready for intended use.
- F. Unless stated otherwise in the Contract Documents, words or phrases that have a well-known technical or construction industry or trade meaning are used in the Contract Documents in accordance with such recognized meaning.

## ARTICLE 2 – PRELIMINARY MATTERS

### 2.01 *Delivery of Bonds and Evidence of Insurance*

- A. *Bonds*: When Contractor delivers the executed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner such bonds as Contractor may be required to furnish.
- B. *Evidence of Contractor’s Insurance*: When Contractor delivers the executed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner, with copies to each named insured and additional insured (as identified in the Supplementary Conditions or elsewhere in the Contract), the certificates and other evidence of insurance required to be provided by Contractor in accordance with Article 6.
- C. *Evidence of Owner’s Insurance*: After receipt of the executed counterparts of the Agreement and all required bonds and insurance documentation, Owner shall promptly deliver to Contractor, with copies to each named insured and additional insured (as identified in the Supplementary Conditions or otherwise), the certificates and other evidence of insurance required to be provided by Owner under Article 6.

### 2.02 *Copies of Documents*

- A. Owner shall furnish to Contractor four printed copies of the Contract (including one fully executed counterpart of the Agreement), and one copy in electronic portable document format (PDF). Additional printed copies will be furnished upon request at the cost of reproduction.
- B. Owner shall maintain and safeguard at least one original printed record version of the Contract, including Drawings and Specifications signed and sealed by Engineer and other design professionals. Owner shall make such original printed record version of the Contract available to Contractor for review. Owner may delegate the responsibilities under this provision to Engineer.

### 2.03 *Before Starting Construction*

- A. *Preliminary Schedules*: Within 10 days after the Effective Date of the Contract (or as otherwise specifically required by the Contract Documents), Contractor shall submit to Engineer for timely review:
  1. a preliminary Progress Schedule indicating the times (numbers of days or dates) for starting and completing the various stages of the Work, including any Milestones specified in the Contract;
  2. a preliminary Schedule of Submittals; and

3. a preliminary Schedule of Values for all of the Work which includes quantities and prices of items which when added together equal the Contract Price and subdivides the Work into component parts in sufficient detail to serve as the basis for progress payments during performance of the Work. Such prices will include an appropriate amount of overhead and profit applicable to each item of Work.

2.04 *Preconstruction Conference; Designation of Authorized Representatives*

- A. Before any Work at the Site is started, a conference attended by Owner, Contractor, Engineer, and others as appropriate will be held to establish a working understanding among the parties as to the Work and to discuss the schedules referred to in Paragraph 2.03.A, procedures for handling Shop Drawings, Samples, and other submittals, processing Applications for Payment, electronic or digital transmittals, and maintaining required records.
- B. At this conference Owner and Contractor each shall designate, in writing, a specific individual to act as its authorized representative with respect to the services and responsibilities under the Contract. Such individuals shall have the authority to transmit and receive information, render decisions relative to the Contract, and otherwise act on behalf of each respective party.

2.05 *Initial Acceptance of Schedules*

- A. At least 10 days before submission of the first Application for Payment a conference, attended by Contractor, Engineer, and others as appropriate, will be held to review for acceptability to Engineer as provided below the schedules submitted in accordance with Paragraph 2.03.A. Contractor shall have an additional 10 days to make corrections and adjustments and to complete and resubmit the schedules. No progress payment shall be made to Contractor until acceptable schedules are submitted to Engineer.
  1. The Progress Schedule will be acceptable to Engineer if it provides an orderly progression of the Work to completion within the Contract Times. Such acceptance will not impose on Engineer responsibility for the Progress Schedule, for sequencing, scheduling, or progress of the Work, nor interfere with or relieve Contractor from Contractor's full responsibility therefor.
  2. Contractor's Schedule of Submittals will be acceptable to Engineer if it provides a workable arrangement for reviewing and processing the required submittals.
  3. Contractor's Schedule of Values will be acceptable to Engineer as to form and substance if it provides a reasonable allocation of the Contract Price to the component parts of the Work.

2.06 *Electronic Transmittals*

- A. Except as otherwise stated elsewhere in the Contract, the Owner, Engineer, and Contractor may transmit, and shall accept, Project-related correspondence, text, data, documents, drawings, information, and graphics, including but not limited to Shop Drawings and other submittals, in electronic media or digital format, either directly, or through access to a secure Project website.
- B. If the Contract does not establish protocols for electronic or digital transmittals, then Owner, Engineer, and Contractor shall jointly develop such protocols.
- C. When transmitting items in electronic media or digital format, the transmitting party makes no representations as to long term compatibility, usability, or readability of the items resulting from the recipient's use of software application packages, operating systems, or

computer hardware differing from those used in the drafting or transmittal of the items, or from those established in applicable transmittal protocols.

### ARTICLE 3 – DOCUMENTS: INTENT, REQUIREMENTS, REUSE

#### 3.01 *Intent*

- A. The Contract Documents are complementary; what is required by one is as binding as if required by all.
- B. It is the intent of the Contract Documents to describe a functionally complete project (or part thereof) to be constructed in accordance with the Contract Documents.
- C. Unless otherwise stated in the Contract Documents, if there is a discrepancy between the electronic or digital versions of the Contract Documents (including any printed copies derived from such electronic or digital versions) and the printed record version, the printed record version shall govern.
- D. The Contract supersedes prior negotiations, representations, and agreements, whether written or oral.
- E. Engineer will issue clarifications and interpretations of the Contract Documents as provided herein.

#### 3.02 *Reference Standards*

- A. Standards Specifications, Codes, Laws and Regulations
  - 1. Reference in the Contract Documents to standard specifications, manuals, reference standards, or codes of any technical society, organization, or association, or to Laws or Regulations, whether such reference be specific or by implication, shall mean the standard specification, manual, reference standard, code, or Laws or Regulations in effect at the time of opening of Bids (or on the Effective Date of the Contract if there were no Bids), except as may be otherwise specifically stated in the Contract Documents.
  - 2. No provision of any such standard specification, manual, reference standard, or code, or any instruction of a Supplier, shall be effective to change the duties or responsibilities of Owner, Contractor, or Engineer, or any of their subcontractors, consultants, agents, or employees, from those set forth in the part of the Contract Documents prepared by or for Engineer. No such provision or instruction shall be effective to assign to Owner, Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, any duty or authority to supervise or direct the performance of the Work or any duty or authority to undertake responsibility inconsistent with the provisions of the part of the Contract Documents prepared by or for Engineer.

#### 3.03 *Reporting and Resolving Discrepancies*

- A. *Reporting Discrepancies:*
  - 1. *Contractor's Verification of Figures and Field Measurements:* Before undertaking each part of the Work, Contractor shall carefully study the Contract Documents, and check and verify pertinent figures and dimensions therein, particularly with respect to applicable field measurements. Contractor shall promptly report in writing to Engineer any conflict, error, ambiguity, or discrepancy that Contractor discovers, or has actual knowledge of, and shall not proceed with any Work affected thereby until the conflict,

error, ambiguity, or discrepancy is resolved, by a clarification or interpretation by Engineer, or by an amendment or supplement to the Contract Documents issued pursuant to Paragraph 11.01.

2. *Contractor's Review of Contract Documents:* If, before or during the performance of the Work, Contractor discovers any conflict, error, ambiguity, or discrepancy within the Contract Documents, or between the Contract Documents and (a) any applicable Law or Regulation, (b) actual field conditions, (c) any standard specification, manual, reference standard, or code, or (d) any instruction of any Supplier, then Contractor shall promptly report it to Engineer in writing. Contractor shall not proceed with the Work affected thereby (except in an emergency as required by Paragraph 7.15) until the conflict, error, ambiguity, or discrepancy is resolved, by a clarification or interpretation by Engineer, or by an amendment or supplement to the Contract Documents issued pursuant to Paragraph 11.01.
3. Contractor shall not be liable to Owner or Engineer for failure to report any conflict, error, ambiguity, or discrepancy in the Contract Documents unless Contractor had actual knowledge thereof.

B. *Resolving Discrepancies:*

1. Except as may be otherwise specifically stated in the Contract Documents, the provisions of the part of the Contract Documents prepared by or for Engineer shall take precedence in resolving any conflict, error, ambiguity, or discrepancy between such provisions of the Contract Documents and:
  - a. the provisions of any standard specification, manual, reference standard, or code, or the instruction of any Supplier (whether or not specifically incorporated by reference as a Contract Document); or
  - b. the provisions of any Laws or Regulations applicable to the performance of the Work (unless such an interpretation of the provisions of the Contract Documents would result in violation of such Law or Regulation).

3.04 *Requirements of the Contract Documents*

- A. During the performance of the Work and until final payment, Contractor and Owner shall submit to the Engineer all matters in question concerning the requirements of the Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Contract Documents, as soon as possible after such matters arise. Engineer will be the initial interpreter of the requirements of the Contract Documents, and judge of the acceptability of the Work thereunder.
- B. Engineer will, with reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Contract Documents. Engineer's written clarification, interpretation, or decision will be final and binding on Contractor, unless it appeals by submitting a Change Proposal, and on Owner, unless it appeals by filing a Claim.
- C. If a submitted matter in question concerns terms and conditions of the Contract Documents that do not involve (1) the performance or acceptability of the Work under the Contract Documents, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, then Engineer will promptly give written notice to Owner and Contractor that Engineer is unable to provide a decision or interpretation. If Owner and Contractor are unable to agree on resolution of such a matter in question, either party may pursue resolution as provided in Article 12.



### 3.05 *Reuse of Documents*

- A. Contractor and its Subcontractors and Suppliers shall not:
1. have or acquire any title to or ownership rights in any of the Drawings, Specifications, or other documents (or copies of any thereof) prepared by or bearing the seal of Engineer or its consultants, including electronic media editions, or reuse any such Drawings, Specifications, other documents, or copies thereof on extensions of the Project or any other project without written consent of Owner and Engineer and specific written verification or adaptation by Engineer; or
  2. have or acquire any title or ownership rights in any other Contract Documents, reuse any such Contract Documents for any purpose without Owner's express written consent, or violate any copyrights pertaining to such Contract Documents.
- B. The prohibitions of this Paragraph 3.05 will survive final payment, or termination of the Contract. Nothing herein shall preclude Contractor from retaining copies of the Contract Documents for record purposes.

## **ARTICLE 4 – COMMENCEMENT AND PROGRESS OF THE WORK**

### 4.01 *Commencement of Contract Times; Notice to Proceed*

- A. The Contract Times will commence to run on the thirtieth day after the Effective Date of the Contract or, if a Notice to Proceed is given, on the day indicated in the Notice to Proceed. A Notice to Proceed may be given at any time within 30 days after the Effective Date of the Contract. In no event will the Contract Times commence to run later than the sixtieth day after the day of Bid opening or the thirtieth day after the Effective Date of the Contract, whichever date is earlier.

### 4.02 *Starting the Work*

- A. Contractor shall start to perform the Work on the date when the Contract Times commence to run. No Work shall be done at the Site prior to such date.

### 4.03 *Reference Points*

- A. Owner shall provide engineering surveys to establish reference points for construction which in Engineer's judgment are necessary to enable Contractor to proceed with the Work. Contractor shall be responsible for laying out the Work, shall protect and preserve the established reference points and property monuments, and shall make no changes or relocations without the prior written approval of Owner. Contractor shall report to Engineer whenever any reference point or property monument is lost or destroyed or requires relocation because of necessary changes in grades or locations, and shall be responsible for the accurate replacement or relocation of such reference points or property monuments by professionally qualified personnel.

### 4.04 *Progress Schedule*

- A. Contractor shall adhere to the Progress Schedule established in accordance with Paragraph 2.05 as it may be adjusted from time to time as provided below.
1. Contractor shall submit to Engineer for acceptance (to the extent indicated in Paragraph 2.05) proposed adjustments in the Progress Schedule that will not result in changing the Contract Times.

2. Proposed adjustments in the Progress Schedule that will change the Contract Times shall be submitted in accordance with the requirements of Article 11.

B. Contractor shall carry on the Work and adhere to the Progress Schedule during all disputes or disagreements with Owner. No Work shall be delayed or postponed pending resolution of any disputes or disagreements, or during any appeal process, except as permitted by Paragraph 16.04, or as Owner and Contractor may otherwise agree in writing.

#### 4.05 *Delays in Contractor's Progress*

A. If Owner, Engineer, or anyone for whom Owner is responsible, delays, disrupts, or interferes with the performance or progress of the Work, then Contractor shall be entitled to an equitable adjustment in the Contract Times and Contract Price. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times.

B. Contractor shall not be entitled to an adjustment in Contract Price or Contract Times for delay, disruption, or interference caused by or within the control of Contractor. Delay, disruption, and interference attributable to and within the control of a Subcontractor or Supplier shall be deemed to be within the control of Contractor.

C. If Contractor's performance or progress is delayed, disrupted, or interfered with by unanticipated causes not the fault of and beyond the control of Owner, Contractor, and those for which they are responsible, then Contractor shall be entitled to an equitable adjustment in Contract Times. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times. Such an adjustment shall be Contractor's sole and exclusive remedy for the delays, disruption, and interference described in this paragraph. Causes of delay, disruption, or interference that may give rise to an adjustment in Contract Times under this paragraph include but are not limited to the following:

1. severe and unavoidable natural catastrophes such as fires, floods, epidemics, and earthquakes;
2. abnormal weather conditions;
3. acts or failures to act of utility owners (other than those performing other work at or adjacent to the Site by arrangement with the Owner, as contemplated in Article 8); and
4. acts of war or terrorism.

D. Delays, disruption, and interference to the performance or progress of the Work resulting from the existence of a differing subsurface or physical condition, an Underground Facility that was not shown or indicated by the Contract Documents, or not shown or indicated with reasonable accuracy, and those resulting from Hazardous Environmental Conditions, are governed by Article 5.

E. Paragraph 8.03 governs delays, disruption, and interference to the performance or progress of the Work resulting from the performance of certain other work at or adjacent to the Site.

F. Contractor shall not be entitled to an adjustment in Contract Price or Contract Times for any delay, disruption, or interference if such delay is concurrent with a delay, disruption, or interference caused by or within the control of Contractor.

- G. Contractor must submit any Change Proposal seeking an adjustment in Contract Price or Contract Times under this paragraph within 30 days of the commencement of the delaying, disrupting, or interfering event.

**ARTICLE 5 – AVAILABILITY OF LANDS; SUBSURFACE AND PHYSICAL CONDITIONS; HAZARDOUS ENVIRONMENTAL CONDITIONS**

5.01 *Availability of Lands*

- A. Owner shall furnish the Site. Owner shall notify Contractor of any encumbrances or restrictions not of general application but specifically related to use of the Site with which Contractor must comply in performing the Work.
- B. Upon reasonable written request, Owner shall furnish Contractor with a current statement of record legal title and legal description of the lands upon which permanent improvements are to be made and Owner's interest therein as necessary for giving notice of or filing a mechanic's or construction lien against such lands in accordance with applicable Laws and Regulations.
- C. Contractor shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment.

5.02 *Use of Site and Other Areas*

A. *Limitation on Use of Site and Other Areas:*

1. Contractor shall confine construction equipment, temporary construction facilities, the storage of materials and equipment, and the operations of workers to the Site, adjacent areas that Contractor has arranged to use through construction easements or otherwise, and other adjacent areas permitted by Laws and Regulations, and shall not unreasonably encumber the Site and such other adjacent areas with construction equipment or other materials or equipment. Contractor shall assume full responsibility for (a) damage to the Site; (b) damage to any such other adjacent areas used for Contractor's operations; (c) damage to any other adjacent land or areas; and (d) for injuries and losses sustained by the owners or occupants of any such land or areas; provided that such damage or injuries result from the performance of the Work or from other actions or conduct of the Contractor or those for which Contractor is responsible.
2. If a damage or injury claim is made by the owner or occupant of any such land or area because of the performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible, Contractor shall (a) take immediate corrective or remedial action as required by Paragraph 7.12, or otherwise; (b) promptly attempt to settle the claim as to all parties through negotiations with such owner or occupant, or otherwise resolve the claim by arbitration or other dispute resolution proceeding, or at law; and (c) to the fullest extent permitted by Laws and Regulations, indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against any such claim, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any claim or action, legal or equitable, brought by any such owner or occupant against Owner, Engineer, or any other party indemnified hereunder to the extent caused directly or indirectly, in whole or in part

by, or based upon, Contractor's performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible.

- B. *Removal of Debris During Performance of the Work:* During the progress of the Work the Contractor shall keep the Site and other adjacent areas free from accumulations of waste materials, rubbish, and other debris. Removal and disposal of such waste materials, rubbish, and other debris shall conform to applicable Laws and Regulations.
- C. *Cleaning:* Prior to Substantial Completion of the Work Contractor shall clean the Site and the Work and make it ready for utilization by Owner. At the completion of the Work Contractor shall remove from the Site and adjacent areas all tools, appliances, construction equipment and machinery, and surplus materials and shall restore to original condition all property not designated for alteration by the Contract Documents.
- D. *Loading of Structures:* Contractor shall not load nor permit any part of any structure to be loaded in any manner that will endanger the structure, nor shall Contractor subject any part of the Work or adjacent structures or land to stresses or pressures that will endanger them.

### 5.03 *Subsurface and Physical Conditions*

- A. *Reports and Drawings:* The Supplementary Conditions identify:
  1. those reports known to Owner of explorations and tests of subsurface conditions at or adjacent to the Site;
  2. those drawings known to Owner of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities); and
  3. Technical Data contained in such reports and drawings.
- B. *Reliance by Contractor on Technical Data Authorized:* Contractor may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely upon the accuracy of the Technical Data (as defined in Article 1) contained in any geotechnical or environmental report prepared for the Project and made available to Contractor. Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, with respect to:
  1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, and safety precautions and programs incident thereto; or
  2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or
  3. any Contractor interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions, or information.

#### 5.04 *Differing Subsurface or Physical Conditions*

- A. *Notice by Contractor:* If Contractor believes that any subsurface or physical condition that is uncovered or revealed at the Site either:
1. is of such a nature as to establish that any Technical Data on which Contractor is entitled to rely as provided in Paragraph 5.03 is materially inaccurate; or
  2. is of such a nature as to require a change in the Drawings or Specifications; or
  3. differs materially from that shown or indicated in the Contract Documents; or
  4. is of an unusual nature, and differs materially from conditions ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents;

then Contractor shall, promptly after becoming aware thereof and before further disturbing the subsurface or physical conditions or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), notify Owner and Engineer in writing about such condition. Contractor shall not further disturb such condition or perform any Work in connection therewith (except with respect to an emergency) until receipt of a written statement permitting Contractor to do so.

- B. *Engineer's Review:* After receipt of written notice as required by the preceding paragraph, Engineer will promptly review the subsurface or physical condition in question; determine the necessity of Owner's obtaining additional exploration or tests with respect to the condition; conclude whether the condition falls within any one or more of the differing site condition categories in Paragraph 5.04.A above; obtain any pertinent cost or schedule information from Contractor; prepare recommendations to Owner regarding the Contractor's resumption of Work in connection with the subsurface or physical condition in question and the need for any change in the Drawings or Specifications; and advise Owner in writing of Engineer's findings, conclusions, and recommendations.
- C. *Owner's Statement to Contractor Regarding Site Condition:* After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the subsurface or physical condition in question, addressing the resumption of Work in connection with such condition, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations, in whole or in part.
- D. *Possible Price and Times Adjustments:*
1. Contractor shall be entitled to an equitable adjustment in Contract Price or Contract Times, or both, to the extent that the existence of a differing subsurface or physical condition, or any related delay, disruption, or interference, causes an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:
    - a. such condition must fall within any one or more of the categories described in Paragraph 5.04.A;
    - b. with respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.03; and,

- c. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times.
2. Contractor shall not be entitled to any adjustment in the Contract Price or Contract Times with respect to a subsurface or physical condition if:
    - a. Contractor knew of the existence of such condition at the time Contractor made a commitment to Owner with respect to Contract Price and Contract Times by the submission of a Bid or becoming bound under a negotiated contract, or otherwise; or
    - b. the existence of such condition reasonably could have been discovered or revealed as a result of any examination, investigation, exploration, test, or study of the Site and contiguous areas expressly required by the Bidding Requirements or Contract Documents to be conducted by or for Contractor prior to Contractor's making such commitment; or
    - c. Contractor failed to give the written notice as required by Paragraph 5.04.A.
  3. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, or both, then any such adjustment shall be set forth in a Change Order.
  4. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, or both, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the subsurface or physical condition in question.

#### 5.05 *Underground Facilities*

- A. *Contractor's Responsibilities:* The information and data shown or indicated in the Contract Documents with respect to existing Underground Facilities at or adjacent to the Site is based on information and data furnished to Owner or Engineer by the owners of such Underground Facilities, including Owner, or by others. Unless it is otherwise expressly provided in the Supplementary Conditions:
  1. Owner and Engineer do not warrant or guarantee the accuracy or completeness of any such information or data provided by others; and
  2. the cost of all of the following will be included in the Contract Price, and Contractor shall have full responsibility for:
    - a. reviewing and checking all information and data regarding existing Underground Facilities at the Site;
    - b. locating all Underground Facilities shown or indicated in the Contract Documents as being at the Site;
    - c. coordination of the Work with the owners (including Owner) of such Underground Facilities, during construction; and
    - d. the safety and protection of all existing Underground Facilities at the Site, and repairing any damage thereto resulting from the Work.
- B. *Notice by Contractor:* If Contractor believes that an Underground Facility that is uncovered or revealed at the Site was not shown or indicated in the Contract Documents, or was not shown or indicated with reasonable accuracy, then Contractor shall, promptly after

becoming aware thereof and before further disturbing conditions affected thereby or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), identify the owner of such Underground Facility and give written notice to that owner and to Owner and Engineer.

- C. *Engineer's Review:* Engineer will promptly review the Underground Facility and conclude whether such Underground Facility was not shown or indicated in the Contract Documents, or was not shown or indicated with reasonable accuracy; obtain any pertinent cost or schedule information from Contractor; prepare recommendations to Owner regarding the Contractor's resumption of Work in connection with the Underground Facility in question; determine the extent, if any, to which a change is required in the Drawings or Specifications to reflect and document the consequences of the existence or location of the Underground Facility; and advise Owner in writing of Engineer's findings, conclusions, and recommendations. During such time, Contractor shall be responsible for the safety and protection of such Underground Facility.
- D. *Owner's Statement to Contractor Regarding Underground Facility:* After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the Underground Facility in question, addressing the resumption of Work in connection with such Underground Facility, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations in whole or in part.
- E. *Possible Price and Times Adjustments:*
1. Contractor shall be entitled to an equitable adjustment in the Contract Price or Contract Times, or both, to the extent that any existing Underground Facility at the Site that was not shown or indicated in the Contract Documents, or was not shown or indicated with reasonable accuracy, or any related delay, disruption, or interference, causes an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:
    - a. Contractor did not know of and could not reasonably have been expected to be aware of or to have anticipated the existence or actual location of the Underground Facility in question;
    - b. With respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.03;
    - c. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times; and
    - d. Contractor gave the notice required in Paragraph 5.05.B.
  2. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, or both, then any such adjustment shall be set forth in a Change Order.
  3. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, or both, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the Underground Facility in question.

5.06 *Hazardous Environmental Conditions at Site*

- A. *Reports and Drawings*: The Supplementary Conditions identify:
1. those reports and drawings known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site; and
  2. Technical Data contained in such reports and drawings.
- B. *Reliance by Contractor on Technical Data Authorized*: Contractor may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely on the accuracy of the Technical Data (as defined in Article 1) contained in any geotechnical or environmental report prepared for the Project and made available to Contractor. Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors with respect to:
1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences and procedures of construction to be employed by Contractor and safety precautions and programs incident thereto; or
  2. other data, interpretations, opinions and information contained in such reports or shown or indicated in such drawings; or
  3. any Contractor interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions or information.
- C. Contractor shall not be responsible for removing or remediating any Hazardous Environmental Condition encountered, uncovered, or revealed at the Site unless such removal or remediation is expressly identified in the Contract Documents to be within the scope of the Work.
- D. Contractor shall be responsible for controlling, containing, and duly removing all Constituents of Concern brought to the Site by Contractor, Subcontractors, Suppliers, or anyone else for whom Contractor is responsible, and for any associated costs; and for the costs of removing and remediating any Hazardous Environmental Condition created by the presence of any such Constituents of Concern.
- E. If Contractor encounters, uncovers, or reveals a Hazardous Environmental Condition whose removal or remediation is not expressly identified in the Contract Documents as being within the scope of the Work, or if Contractor or anyone for whom Contractor is responsible creates a Hazardous Environmental Condition, then Contractor shall immediately: (1) secure or otherwise isolate such condition; (2) stop all Work in connection with such condition and in any area affected thereby (except in an emergency as required by Paragraph 7.15); and (3) notify Owner and Engineer (and promptly thereafter confirm such notice in writing). Owner shall promptly consult with Engineer concerning the necessity for Owner to retain a qualified expert to evaluate such condition or take corrective action, if any. Promptly after consulting with Engineer, Owner shall take such actions as are necessary to permit Owner to timely obtain required permits and provide Contractor the written notice required by Paragraph 5.06.F. If Contractor or anyone for whom Contractor is responsible created the Hazardous Environmental Condition in question, then Owner may remove and remediate the Hazardous Environmental Condition, and impose a set-off against payments to account for the associated costs.



- F. Contractor shall not resume Work in connection with such Hazardous Environmental Condition or in any affected area until after Owner has obtained any required permits related thereto, and delivered written notice to Contractor either (1) specifying that such condition and any affected area is or has been rendered safe for the resumption of Work, or (2) specifying any special conditions under which such Work may be resumed safely.
- G. If Owner and Contractor cannot agree as to entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times, or both, as a result of such Work stoppage or such special conditions under which Work is agreed to be resumed by Contractor, then within 30 days of Owner's written notice regarding the resumption of Work, Contractor may submit a Change Proposal, or Owner may impose a set-off.
- H. If after receipt of such written notice Contractor does not agree to resume such Work based on a reasonable belief it is unsafe, or does not agree to resume such Work under such special conditions, then Owner may order the portion of the Work that is in the area affected by such condition to be deleted from the Work, following the contractual change procedures in Article 11. Owner may have such deleted portion of the Work performed by Owner's own forces or others in accordance with Article 8.
- I. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition, provided that such Hazardous Environmental Condition (1) was not shown or indicated in the Drawings, Specifications, or other Contract Documents, identified as Technical Data entitled to limited reliance pursuant to Paragraph 5.06.B, or identified in the Contract Documents to be included within the scope of the Work, and (2) was not created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 5.06.H shall obligate Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
- J. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the failure to control, contain, or remove a Constituent of Concern brought to the Site by Contractor or by anyone for whom Contractor is responsible, or to a Hazardous Environmental Condition created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 5.06.J shall obligate Contractor to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
- K. The provisions of Paragraphs 5.03, 5.04, and 5.05 do not apply to the presence of Constituents of Concern or to a Hazardous Environmental Condition uncovered or revealed at the Site.

## ARTICLE 6 – BONDS AND INSURANCE

### 6.01 *Performance, Payment, and Other Bonds*

- A. Contractor shall furnish a performance bond and a payment bond, each in an amount at least equal to the Contract Price, as security for the faithful performance and payment of all of Contractor's obligations under the Contract. These bonds shall remain in effect until one year after the date when final payment becomes due or until completion of the correction period specified in Paragraph 15.08, whichever is later, except as provided otherwise by Laws or Regulations, the Supplementary Conditions, or other specific provisions of the Contract. Contractor shall also furnish such other bonds as are required by the Supplementary Conditions or other specific provisions of the Contract.
- B. All bonds shall be in the form prescribed by the Contract except as provided otherwise by Laws or Regulations, and shall be executed by such sureties as are named in "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (as amended and supplemented) by the Financial Management Service, Surety Bond Branch, U.S. Department of the Treasury. A bond signed by an agent or attorney-in-fact must be accompanied by a certified copy of that individual's authority to bind the surety. The evidence of authority shall show that it is effective on the date the agent or attorney-in-fact signed the accompanying bond.
- C. Contractor shall obtain the required bonds from surety companies that are duly licensed or authorized in the jurisdiction in which the Project is located to issue bonds in the required amounts.
- D. If the surety on a bond furnished by Contractor is declared bankrupt or becomes insolvent, or its right to do business is terminated in any state or jurisdiction where any part of the Project is located, or the surety ceases to meet the requirements above, then Contractor shall promptly notify Owner and Engineer and shall, within 20 days after the event giving rise to such notification, provide another bond and surety, both of which shall comply with the bond and surety requirements above.
- E. If Contractor has failed to obtain a required bond, Owner may exclude the Contractor from the Site and exercise Owner's termination rights under Article 16.
- F. Upon request, Owner shall provide a copy of the payment bond to any Subcontractor, Supplier, or other person or entity claiming to have furnished labor or materials used in the performance of the Work.

### 6.02 *Insurance—General Provisions*

- A. Owner and Contractor shall obtain and maintain insurance as required in this Article and in the Supplementary Conditions.
- B. All insurance required by the Contract to be purchased and maintained by Owner or Contractor shall be obtained from insurance companies that are duly licensed or authorized, in the state or jurisdiction in which the Project is located, to issue insurance policies for the required limits and coverages. Unless a different standard is indicated in the Supplementary Conditions, all companies that provide insurance policies required under this Contract shall have an A.M. Best rating of A-VII or better.
- C. Contractor shall deliver to Owner, with copies to each named insured and additional insured (as identified in this Article, in the Supplementary Conditions, or elsewhere in the Contract), certificates of insurance establishing that Contractor has obtained and is

maintaining the policies, coverages, and endorsements required by the Contract. Upon request by Owner or any other insured, Contractor shall also furnish other evidence of such required insurance, including but not limited to copies of policies and endorsements, and documentation of applicable self-insured retentions and deductibles. Contractor may block out (redact) any confidential premium or pricing information contained in any policy or endorsement furnished under this provision.

- D. Owner shall deliver to Contractor, with copies to each named insured and additional insured (as identified in this Article, the Supplementary Conditions, or elsewhere in the Contract), certificates of insurance establishing that Owner has obtained and is maintaining the policies, coverages, and endorsements required of Owner by the Contract (if any). Upon request by Contractor or any other insured, Owner shall also provide other evidence of such required insurance (if any), including but not limited to copies of policies and endorsements, and documentation of applicable self-insured retentions and deductibles. Owner may block out (redact) any confidential premium or pricing information contained in any policy or endorsement furnished under this provision.
- E. Failure of Owner or Contractor to demand such certificates or other evidence of the other party's full compliance with these insurance requirements, or failure of Owner or Contractor to identify a deficiency in compliance from the evidence provided, shall not be construed as a waiver of the other party's obligation to obtain and maintain such insurance.
- F. If either party does not purchase or maintain all of the insurance required of such party by the Contract, such party shall notify the other party in writing of such failure to purchase prior to the start of the Work, or of such failure to maintain prior to any change in the required coverage.
- G. If Contractor has failed to obtain and maintain required insurance, Owner may exclude the Contractor from the Site, impose an appropriate set-off against payment, and exercise Owner's termination rights under Article 16.
- H. Without prejudice to any other right or remedy, if a party has failed to obtain required insurance, the other party may elect to obtain equivalent insurance to protect such other party's interests at the expense of the party who was required to provide such coverage, and the Contract Price shall be adjusted accordingly.
- I. Owner does not represent that insurance coverage and limits established in this Contract necessarily will be adequate to protect Contractor or Contractor's interests.
- J. The insurance and insurance limits required herein shall not be deemed as a limitation on Contractor's liability under the indemnities granted to Owner and other individuals and entities in the Contract.

### 6.03 Contractor's Insurance

- A. *Workers' Compensation:* Contractor shall purchase and maintain workers' compensation and employer's liability insurance for:
  1. claims under workers' compensation, disability benefits, and other similar employee benefit acts.
  2. United States Longshoreman and Harbor Workers' Compensation Act and Jones Act coverage (if applicable).
  3. claims for damages because of bodily injury, occupational sickness or disease, or death of Contractor's employees (by stop-gap endorsement in monopolist worker's compensation states).

4. Foreign voluntary worker compensation (if applicable).
- B. *Commercial General Liability—Claims Covered:* Contractor shall purchase and maintain commercial general liability insurance, covering all operations by or on behalf of Contractor, on an occurrence basis, against:
1. claims for damages because of bodily injury, sickness or disease, or death of any person other than Contractor's employees.
  2. claims for damages insured by reasonably available personal injury liability coverage.
  3. claims for damages, other than to the Work itself, because of injury to or destruction of tangible property wherever located, including loss of use resulting therefrom.
- C. *Commercial General Liability—Form and Content:* Contractor's commercial liability policy shall be written on a 1996 (or later) ISO commercial general liability form (occurrence form) and include the following coverages and endorsements:
1. Products and completed operations coverage:
    - a. Such insurance shall be maintained for three years after final payment.
    - b. Contractor shall furnish Owner and each other additional insured (as identified in the Supplementary Conditions or elsewhere in the Contract) evidence of continuation of such insurance at final payment and three years thereafter.
  2. Blanket contractual liability coverage, to the extent permitted by law, including but not limited to coverage of Contractor's contractual indemnity obligations in Paragraph 7.18.
  3. Broad form property damage coverage.
  4. Severability of interest.
  5. Underground, explosion, and collapse coverage.
  6. Personal injury coverage.
  7. Additional insured endorsements that include both ongoing operations and products and completed operations coverage through ISO Endorsements CG 20 10 10 01 and CG 20 37 10 01 (together); or CG 20 10 07 04 and CG 20 37 07 04 (together); or their equivalent.
  8. For design professional additional insureds, ISO Endorsement CG 20 32 07 04, "Additional Insured—Engineers, Architects or Surveyors Not Engaged by the Named Insured" or its equivalent.
- D. *Automobile liability:* Contractor shall purchase and maintain automobile liability insurance against claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance, or use of any motor vehicle. The automobile liability policy shall be written on an occurrence basis.
- E. *Umbrella or excess liability:* Contractor shall purchase and maintain umbrella or excess liability insurance written over the underlying employer's liability, commercial general liability, and automobile liability insurance described in the paragraphs above. Subject to industry-standard exclusions, the coverage afforded shall follow form as to each and every one of the underlying policies.

- F. *Contractor's pollution liability insurance*: Contractor shall purchase and maintain a policy covering third-party injury and property damage claims, including clean-up costs, as a result of pollution conditions arising from Contractor's operations and completed operations. This insurance shall be maintained for no less than three years after final completion.
- G. *Additional insureds*: The Contractor's commercial general liability, automobile liability, umbrella or excess, and pollution liability policies shall include and list as additional insureds Owner and Engineer, and any individuals or entities identified in the Supplementary Conditions; include coverage for the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of all such additional insureds; and the insurance afforded to these additional insureds shall provide primary coverage for all claims covered thereby (including as applicable those arising from both ongoing and completed operations) on a non-contributory basis. Contractor shall obtain all necessary endorsements to support these requirements.
- H. *Contractor's professional liability insurance*: If Contractor will provide or furnish professional services under this Contract, through a delegation of professional design services or otherwise, then Contractor shall be responsible for purchasing and maintaining applicable professional liability insurance. This insurance shall provide protection against claims arising out of performance of professional design or related services, and caused by a negligent error, omission, or act for which the insured party is legally liable. It shall be maintained throughout the duration of the Contract and for a minimum of two years after Substantial Completion. If such professional design services are performed by a Subcontractor, and not by Contractor itself, then the requirements of this paragraph may be satisfied through the purchasing and maintenance of such insurance by such Subcontractor.
- I. *General provisions*: The policies of insurance required by this Paragraph 6.03 shall:
1. include at least the specific coverages provided in this Article.
  2. be written for not less than the limits of liability provided in this Article and in the Supplementary Conditions, or required by Laws or Regulations, whichever is greater.
  3. contain a provision or endorsement that the coverage afforded will not be canceled, materially changed, or renewal refused until at least 10 days prior written notice has been given to Contractor. Within three days of receipt of any such written notice, Contractor shall provide a copy of the notice to Owner, Engineer, and each other insured under the policy.
  4. remain in effect at least until final payment (and longer if expressly required in this Article) and at all times thereafter when Contractor may be correcting, removing, or replacing defective Work as a warranty or correction obligation, or otherwise, or returning to the Site to conduct other tasks arising from the Contract Documents.
  5. be appropriate for the Work being performed and provide protection from claims that may arise out of or result from Contractor's performance of the Work and Contractor's other obligations under the Contract Documents, whether it is to be performed by Contractor, any Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable.
- J. The coverage requirements for specific policies of insurance must be met by such policies, and not by reference to excess or umbrella insurance provided in other policies.

#### 6.04 *Owner's Liability Insurance*

- A. In addition to the insurance required to be provided by Contractor under Paragraph 6.03, Owner, at Owner's option, may purchase and maintain at Owner's expense Owner's own liability insurance as will protect Owner against claims which may arise from operations under the Contract Documents.
- B. Owner's liability policies, if any, operate separately and independently from policies required to be provided by Contractor, and Contractor cannot rely upon Owner's liability policies for any of Contractor's obligations to the Owner, Engineer, or third parties.

#### 6.05 *Property Insurance*

- A. *Builder's Risk*: Unless otherwise provided in the Supplementary Conditions, Contractor shall purchase and maintain builder's risk insurance upon the Work on a completed value basis, in the amount of the full insurable replacement cost thereof (subject to such deductible amounts as may be provided in the Supplementary Conditions or required by Laws and Regulations). This insurance shall:
  1. include the Owner and Contractor as named insureds, and all Subcontractors, and any individuals or entities required by the Supplementary Conditions to be insured under such builder's risk policy, as insureds or named insureds. For purposes of the remainder of this Paragraph 6.05, Paragraphs 6.06 and 6.07, and any corresponding Supplementary Conditions, the parties required to be insured shall collectively be referred to as "insureds."
  2. be written on a builder's risk "all risk" policy form that shall at least include insurance for physical loss or damage to the Work, temporary buildings, falsework, and materials and equipment in transit, and shall insure against at least the following perils or causes of loss: fire; lightning; windstorm; riot; civil commotion; terrorism; vehicle impact; aircraft; smoke; theft; vandalism and malicious mischief; mechanical breakdown, boiler explosion, and artificially generated electric current; earthquake; volcanic activity, and other earth movement; flood; collapse; explosion; debris removal; demolition occasioned by enforcement of Laws and Regulations; water damage (other than that caused by flood); and such other perils or causes of loss as may be specifically required by the Supplementary Conditions. If insurance against mechanical breakdown, boiler explosion, and artificially generated electric current; earthquake; volcanic activity, and other earth movement; or flood, are not commercially available under builder's risk policies, by endorsement or otherwise, such insurance may be provided through other insurance policies acceptable to Owner and Contractor.
  3. cover, as insured property, at least the following: (a) the Work and all materials, supplies, machinery, apparatus, equipment, fixtures, and other property of a similar nature that are to be incorporated into or used in the preparation, fabrication, construction, erection, or completion of the Work, including Owner-furnished or assigned property; (b) spare parts inventory required within the scope of the Contract; and (c) temporary works which are not intended to form part of the permanent constructed Work but which are intended to provide working access to the Site, or to the Work under construction, or which are intended to provide temporary support for the Work under construction, including scaffolding, form work, fences, shoring, falsework, and temporary structures.
  4. cover expenses incurred in the repair or replacement of any insured property (including but not limited to fees and charges of engineers and architects).

5. extend to cover damage or loss to insured property while in temporary storage at the Site or in a storage location outside the Site (but not including property stored at the premises of a manufacturer or Supplier).
  6. extend to cover damage or loss to insured property while in transit.
  7. allow for partial occupation or use of the Work by Owner, such that those portions of the Work that are not yet occupied or used by Owner shall remain covered by the builder's risk insurance.
  8. allow for the waiver of the insurer's subrogation rights, as set forth below.
  9. provide primary coverage for all losses and damages caused by the perils or causes of loss covered.
  10. not include a co-insurance clause.
  11. include an exception for ensuing losses from physical damage or loss with respect to any defective workmanship, design, or materials exclusions.
  12. include performance/hot testing and start-up.
  13. be maintained in effect, subject to the provisions herein regarding Substantial Completion and partial occupancy or use of the Work by Owner, until the Work is complete.
- B. *Notice of Cancellation or Change:* All the policies of insurance (and the certificates or other evidence thereof) required to be purchased and maintained in accordance with this Paragraph 6.05 will contain a provision or endorsement that the coverage afforded will not be canceled or materially changed or renewal refused until at least 10 days prior written notice has been given to the purchasing policyholder. Within three days of receipt of any such written notice, the purchasing policyholder shall provide a copy of the notice to each other insured.
- C. *Deductibles:* The purchaser of any required builder's risk or property insurance shall pay for costs not covered because of the application of a policy deductible.
- D. *Partial Occupancy or Use by Owner:* If Owner will occupy or use a portion or portions of the Work prior to Substantial Completion of all the Work as provided in Paragraph 15.04, then Owner (directly, if it is the purchaser of the builder's risk policy, or through Contractor) will provide notice of such occupancy or use to the builder's risk insurer. The builder's risk insurance shall not be canceled or permitted to lapse on account of any such partial use or occupancy; rather, those portions of the Work that are occupied or used by Owner may come off the builder's risk policy, while those portions of the Work not yet occupied or used by Owner shall remain covered by the builder's risk insurance.
- E. *Additional Insurance:* If Contractor elects to obtain other special insurance to be included in or supplement the builder's risk or property insurance policies provided under this Paragraph 6.05, it may do so at Contractor's expense.
- F. *Insurance of Other Property:* If the express insurance provisions of the Contract do not require or address the insurance of a property item or interest, such as tools, construction equipment, or other personal property owned by Contractor, a Subcontractor, or an employee of Contractor or a Subcontractor, then the entity or individual owning such property item will be responsible for deciding whether to insure it, and if so in what amount.

## 6.06 Waiver of Rights

- A. All policies purchased in accordance with Paragraph 6.05, expressly including the builder's risk policy, shall contain provisions to the effect that in the event of payment of any loss or damage the insurers will have no rights of recovery against any insureds thereunder, or against Engineer or its consultants, or their officers, directors, members, partners, employees, agents, consultants, or subcontractors. Owner and Contractor waive all rights against each other and the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from any of the perils or causes of loss covered by such policies and any other property insurance applicable to the Work; and, in addition, waive all such rights against Engineer, its consultants, all Subcontractors, all individuals or entities identified in the Supplementary Conditions as insureds, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, under such policies for losses and damages so caused. None of the above waivers shall extend to the rights that any party making such waiver may have to the proceeds of insurance held by Owner or Contractor as trustee or fiduciary, or otherwise payable under any policy so issued.
- B. Owner waives all rights against Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, for:
1. loss due to business interruption, loss of use, or other consequential loss extending beyond direct physical loss or damage to Owner's property or the Work caused by, arising out of, or resulting from fire or other perils whether or not insured by Owner; and
  2. loss or damage to the completed Project or part thereof caused by, arising out of, or resulting from fire or other insured peril or cause of loss covered by any property insurance maintained on the completed Project or part thereof by Owner during partial occupancy or use pursuant to Paragraph 15.04, after Substantial Completion pursuant to Paragraph 15.03, or after final payment pursuant to Paragraph 15.06.
- C. Any insurance policy maintained by Owner covering any loss, damage or consequential loss referred to in Paragraph 6.06.B shall contain provisions to the effect that in the event of payment of any such loss, damage, or consequential loss, the insurers will have no rights of recovery against Contractor, Subcontractors, or Engineer, or the officers, directors, members, partners, employees, agents, consultants, or subcontractors of each and any of them.
- D. Contractor shall be responsible for assuring that the agreement under which a Subcontractor performs a portion of the Work contains provisions whereby the Subcontractor waives all rights against Owner, Contractor, all individuals or entities identified in the Supplementary Conditions as insureds, the Engineer and its consultants, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, relating to, or resulting from any of the perils or causes of loss covered by builder's risk insurance and any other property insurance applicable to the Work.



#### 6.07 *Receipt and Application of Property Insurance Proceeds*

- A. Any insured loss under the builder's risk and other policies of insurance required by Paragraph 6.05 will be adjusted and settled with the named insured that purchased the policy. Such named insured shall act as fiduciary for the other insureds, and give notice to such other insureds that adjustment and settlement of a claim is in progress. Any other insured may state its position regarding a claim for insured loss in writing within 15 days after notice of such claim.
- B. Proceeds for such insured losses may be made payable by the insurer either jointly to multiple insureds, or to the named insured that purchased the policy in its own right and as fiduciary for other insureds, subject to the requirements of any applicable mortgage clause. A named insured receiving insurance proceeds under the builder's risk and other policies of insurance required by Paragraph 6.05 shall distribute such proceeds in accordance with such agreement as the parties in interest may reach, or as otherwise required under the dispute resolution provisions of this Contract or applicable Laws and Regulations.
- C. If no other special agreement is reached, the damaged Work shall be repaired or replaced, the money so received applied on account thereof, and the Work and the cost thereof covered by Change Order, if needed.

### ARTICLE 7 – CONTRACTOR'S RESPONSIBILITIES

#### 7.01 *Supervision and Superintendence*

- A. Contractor shall supervise, inspect, and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Contractor shall be solely responsible for the means, methods, techniques, sequences, and procedures of construction.
- B. At all times during the progress of the Work, Contractor shall assign a competent resident superintendent who shall not be replaced without written notice to Owner and Engineer except under extraordinary circumstances.

#### 7.02 *Labor; Working Hours*

- A. Contractor shall provide competent, suitably qualified personnel to survey and lay out the Work and perform construction as required by the Contract Documents. Contractor shall at all times maintain good discipline and order at the Site.
- B. Except as otherwise required for the safety or protection of persons or the Work or property at the Site or adjacent thereto, and except as otherwise stated in the Contract Documents, all Work at the Site shall be performed during regular working hours, Monday through Friday. Contractor will not perform Work on a Saturday, Sunday, or any legal holiday. Contractor may perform Work outside regular working hours or on Saturdays, Sundays, or legal holidays only with Owner's written consent, which will not be unreasonably withheld.

#### 7.03 *Services, Materials, and Equipment*

- A. Unless otherwise specified in the Contract Documents, Contractor shall provide and assume full responsibility for all services, materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water, sanitary facilities, temporary facilities, and all other facilities and

incidentals necessary for the performance, testing, start up, and completion of the Work, whether or not such items are specifically called for in the Contract Documents.

- B. All materials and equipment incorporated into the Work shall be of good quality and new, except as otherwise provided in the Contract Documents. All special warranties and guarantees required by the Specifications shall expressly run to the benefit of Owner. If required by Engineer, Contractor shall furnish satisfactory evidence (including reports of required tests) as to the source, kind, and quality of materials and equipment.
- C. All materials and equipment shall be stored, applied, installed, connected, erected, protected, used, cleaned, and conditioned in accordance with instructions of the applicable Supplier, except as otherwise may be provided in the Contract Documents.

#### 7.04 "Or Equals"

- A. Whenever an item of material or equipment is specified or described in the Contract Documents by using the name of a proprietary item or the name of a particular Supplier, the Contract Price has been based upon Contractor furnishing such item as specified. The specification or description of such an item is intended to establish the type, function, appearance, and quality required. Unless the specification or description contains or is followed by words reading that no like, equivalent, or "or equal" item is permitted, Contractor may request that Engineer authorize the use of other items of material or equipment, or items from other proposed suppliers under the circumstances described below.
  - 1. If Engineer in its sole discretion determines that an item of material or equipment proposed by Contractor is functionally equal to that named and sufficiently similar so that no change in related Work will be required, Engineer shall deem it an "or equal" item. For the purposes of this paragraph, a proposed item of material or equipment will be considered functionally equal to an item so named if:
    - a. in the exercise of reasonable judgment Engineer determines that:
      - 1) it is at least equal in materials of construction, quality, durability, appearance, strength, and design characteristics;
      - 2) it will reliably perform at least equally well the function and achieve the results imposed by the design concept of the completed Project as a functioning whole;
      - 3) it has a proven record of performance and availability of responsive service; and
      - 4) it is not objectionable to Owner.
    - b. Contractor certifies that, if approved and incorporated into the Work:
      - 1) there will be no increase in cost to the Owner or increase in Contract Times; and
      - 2) it will conform substantially to the detailed requirements of the item named in the Contract Documents.
- B. *Contractor's Expense:* Contractor shall provide all data in support of any proposed "or equal" item at Contractor's expense.

- C. *Engineer's Evaluation and Determination:* Engineer will be allowed a reasonable time to evaluate each "or-equal" request. Engineer may require Contractor to furnish additional data about the proposed "or-equal" item. Engineer will be the sole judge of acceptability. No "or-equal" item will be ordered, furnished, installed, or utilized until Engineer's review is complete and Engineer determines that the proposed item is an "or-equal", which will be evidenced by an approved Shop Drawing or other written communication. Engineer will advise Contractor in writing of any negative determination.
- D. *Effect of Engineer's Determination:* Neither approval nor denial of an "or-equal" request shall result in any change in Contract Price. The Engineer's denial of an "or-equal" request shall be final and binding, and may not be reversed through an appeal under any provision of the Contract Documents.
- E. *Treatment as a Substitution Request:* If Engineer determines that an item of material or equipment proposed by Contractor does not qualify as an "or-equal" item, Contractor may request that Engineer considered the proposed item as a substitute pursuant to Paragraph 7.05.

#### 7.05 Substitutes

- A. Unless the specification or description of an item of material or equipment required to be furnished under the Contract Documents contains or is followed by words reading that no substitution is permitted, Contractor may request that Engineer authorize the use of other items of material or equipment under the circumstances described below. To the extent possible such requests shall be made before commencement of related construction at the Site.
  - 1. Contractor shall submit sufficient information as provided below to allow Engineer to determine if the item of material or equipment proposed is functionally equivalent to that named and an acceptable substitute therefor. Engineer will not accept requests for review of proposed substitute items of material or equipment from anyone other than Contractor.
  - 2. The requirements for review by Engineer will be as set forth in Paragraph 7.05.B, as supplemented by the Specifications, and as Engineer may decide is appropriate under the circumstances.
  - 3. Contractor shall make written application to Engineer for review of a proposed substitute item of material or equipment that Contractor seeks to furnish or use. The application:
    - a. shall certify that the proposed substitute item will:
      - 1) perform adequately the functions and achieve the results called for by the general design,
      - 2) be similar in substance to that specified, and
      - 3) be suited to the same use as that specified.
    - b. will state:
      - 1) the extent, if any, to which the use of the proposed substitute item will necessitate a change in Contract Times,

- 2) whether use of the proposed substitute item in the Work will require a change in any of the Contract Documents (or in the provisions of any other direct contract with Owner for other work on the Project) to adapt the design to the proposed substitute item, and
  - 3) whether incorporation or use of the proposed substitute item in connection with the Work is subject to payment of any license fee or royalty.
- c. will identify:
- 1) all variations of the proposed substitute item from that specified, and
  - 2) available engineering, sales, maintenance, repair, and replacement services.
- d. shall contain an itemized estimate of all costs or credits that will result directly or indirectly from use of such substitute item, including but not limited to changes in Contract Price, shared savings, costs of redesign, and claims of other contractors affected by any resulting change.
- B. *Engineer's Evaluation and Determination:* Engineer will be allowed a reasonable time to evaluate each substitute request, and to obtain comments and direction from Owner. Engineer may require Contractor to furnish additional data about the proposed substitute item. Engineer will be the sole judge of acceptability. No substitute will be ordered, furnished, installed, or utilized until Engineer's review is complete and Engineer determines that the proposed item is an acceptable substitute. Engineer's determination will be evidenced by a Field Order or a proposed Change Order accounting for the substitution itself and all related impacts, including changes in Contract Price or Contract Times. Engineer will advise Contractor in writing of any negative determination.
- C. *Special Guarantee:* Owner may require Contractor to furnish at Contractor's expense a special performance guarantee or other surety with respect to any substitute.
- D. *Reimbursement of Engineer's Cost:* Engineer will record Engineer's costs in evaluating a substitute proposed or submitted by Contractor. Whether or not Engineer approves a substitute so proposed or submitted by Contractor, Contractor shall reimburse Owner for the reasonable charges of Engineer for evaluating each such proposed substitute. Contractor shall also reimburse Owner for the reasonable charges of Engineer for making changes in the Contract Documents (or in the provisions of any other direct contract with Owner) resulting from the acceptance of each proposed substitute.
- E. *Contractor's Expense:* Contractor shall provide all data in support of any proposed substitute at Contractor's expense.
- F. *Effect of Engineer's Determination:* If Engineer approves the substitution request, Contractor shall execute the proposed Change Order and proceed with the substitution. The Engineer's denial of a substitution request shall be final and binding, and may not be reversed through an appeal under any provision of the Contract Documents. Contractor may challenge the scope of reimbursement costs imposed under Paragraph 7.05.D, by timely submittal of a Change Proposal.

#### 7.06 Concerning Subcontractors, Suppliers, and Others

- A. Contractor may retain Subcontractors and Suppliers for the performance of parts of the Work. Such Subcontractors and Suppliers must be acceptable to Owner.
- B. Contractor shall retain specific Subcontractors, Suppliers, or other individuals or entities for the performance of designated parts of the Work if required by the Contract to do so.

- C. Subsequent to the submittal of Contractor's Bid or final negotiation of the terms of the Contract, Owner may not require Contractor to retain any Subcontractor, Supplier, or other individual or entity to furnish or perform any of the Work against which Contractor has reasonable objection.
- D. Prior to entry into any binding subcontract or purchase order, Contractor shall submit to Owner the identity of the proposed Subcontractor or Supplier (unless Owner has already deemed such proposed Subcontractor or Supplier acceptable, during the bidding process or otherwise). Such proposed Subcontractor or Supplier shall be deemed acceptable to Owner unless Owner raises a substantive, reasonable objection within five days.
- E. Owner may require the replacement of any Subcontractor, Supplier, or other individual or entity retained by Contractor to perform any part of the Work. Owner also may require Contractor to retain specific replacements; provided, however, that Owner may not require a replacement to which Contractor has a reasonable objection. If Contractor has submitted the identity of certain Subcontractors, Suppliers, or other individuals or entities for acceptance by Owner, and Owner has accepted it (either in writing or by failing to make written objection thereto), then Owner may subsequently revoke the acceptance of any such Subcontractor, Supplier, or other individual or entity so identified solely on the basis of substantive, reasonable objection after due investigation. Contractor shall submit an acceptable replacement for the rejected Subcontractor, Supplier, or other individual or entity.
- F. If Owner requires the replacement of any Subcontractor, Supplier, or other individual or entity retained by Contractor to perform any part of the Work, then Contractor shall be entitled to an adjustment in Contract Price or Contract Times, or both, with respect to the replacement; and Contractor shall initiate a Change Proposal for such adjustment within 30 days of Owner's requirement of replacement.
- G. No acceptance by Owner of any such Subcontractor, Supplier, or other individual or entity, whether initially or as a replacement, shall constitute a waiver of the right of Owner to the completion of the Work in accordance with the Contract Documents.
- H. On a monthly basis Contractor shall submit to Engineer a complete list of all Subcontractors and Suppliers having a direct contract with Contractor, and of all other Subcontractors and Suppliers known to Contractor at the time of submittal.
- I. Contractor shall be fully responsible to Owner and Engineer for all acts and omissions of the Subcontractors, Suppliers, and other individuals or entities performing or furnishing any of the Work just as Contractor is responsible for Contractor's own acts and omissions.
- J. Contractor shall be solely responsible for scheduling and coordinating the work of Subcontractors, Suppliers, and all other individuals or entities performing or furnishing any of the Work.
- K. Contractor shall restrict all Subcontractors, Suppliers, and such other individuals or entities performing or furnishing any of the Work from communicating with Engineer or Owner, except through Contractor or in case of an emergency, or as otherwise expressly allowed herein.
- L. The divisions and sections of the Specifications and the identifications of any Drawings shall not control Contractor in dividing the Work among Subcontractors or Suppliers or delineating the Work to be performed by any specific trade.

- M. All Work performed for Contractor by a Subcontractor or Supplier shall be pursuant to an appropriate contractual agreement that specifically binds the Subcontractor or Supplier to the applicable terms and conditions of the Contract Documents for the benefit of Owner and Engineer.
- N. Owner may furnish to any Subcontractor or Supplier, to the extent practicable, information about amounts paid to Contractor on account of Work performed for Contractor by the particular Subcontractor or Supplier.
- O. Nothing in the Contract Documents:
  1. shall create for the benefit of any such Subcontractor, Supplier, or other individual or entity any contractual relationship between Owner or Engineer and any such Subcontractor, Supplier, or other individual or entity; nor
  2. shall create any obligation on the part of Owner or Engineer to pay or to see to the payment of any money due any such Subcontractor, Supplier, or other individual or entity except as may otherwise be required by Laws and Regulations.

#### 7.07 *Patent Fees and Royalties*

- A. Contractor shall pay all license fees and royalties and assume all costs incident to the use in the performance of the Work or the incorporation in the Work of any invention, design, process, product, or device which is the subject of patent rights or copyrights held by others. If a particular invention, design, process, product, or device is specified in the Contract Documents for use in the performance of the Work and if, to the actual knowledge of Owner or Engineer, its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights shall be disclosed by Owner in the Contract Documents.
- B. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, and its officers, directors, members, partners, employees, agents, consultants, and subcontractors from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device specified in the Contract Documents, but not identified as being subject to payment of any license fee or royalty to others required by patent rights or copyrights.
- C. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device not specified in the Contract Documents.

#### 7.08 *Permits*

- A. Unless otherwise provided in the Contract Documents, Contractor shall obtain and pay for all construction permits and licenses. Owner shall assist Contractor, when necessary, in obtaining such permits and licenses. Contractor shall pay all governmental charges and

inspection fees necessary for the prosecution of the Work which are applicable at the time of the submission of Contractor's Bid (or when Contractor became bound under a negotiated contract). Owner shall pay all charges of utility owners for connections for providing permanent service to the Work

#### 7.09 *Taxes*

- A. Contractor shall pay all sales, consumer, use, and other similar taxes required to be paid by Contractor in accordance with the Laws and Regulations of the place of the Project which are applicable during the performance of the Work.

#### 7.10 *Laws and Regulations*

- A. Contractor shall give all notices required by and shall comply with all Laws and Regulations applicable to the performance of the Work. Except where otherwise expressly required by applicable Laws and Regulations, neither Owner nor Engineer shall be responsible for monitoring Contractor's compliance with any Laws or Regulations.
- B. If Contractor performs any Work or takes any other action knowing or having reason to know that it is contrary to Laws or Regulations, Contractor shall bear all resulting costs and losses, and shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such Work or other action. It shall not be Contractor's responsibility to make certain that the Work described in the Contract Documents is in accordance with Laws and Regulations, but this shall not relieve Contractor of Contractor's obligations under Paragraph 3.03.
- C. Owner or Contractor may give notice to the other party of any changes after the submission of Contractor's Bid (or after the date when Contractor became bound under a negotiated contract) in Laws or Regulations having an effect on the cost or time of performance of the Work, including but not limited to changes in Laws or Regulations having an effect on procuring permits and on sales, use, value-added, consumption, and other similar taxes. If Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times resulting from such changes, then within 30 days of such notice Contractor may submit a Change Proposal, or Owner may initiate a Claim.

#### 7.11 *Record Documents*

- A. Contractor shall maintain in a safe place at the Site one printed record copy of all Drawings, Specifications, Addenda, Change Orders, Work Change Directives, Field Orders, written interpretations and clarifications, and approved Shop Drawings. Contractor shall keep such record documents in good order and annotate them to show changes made during construction. These record documents, together with all approved Samples, will be available to Engineer for reference. Upon completion of the Work, Contractor shall deliver these record documents to Engineer.

#### 7.12 *Safety and Protection*

- A. Contractor shall be solely responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work. Such responsibility does not relieve Subcontractors of their responsibility for the safety of persons or property in the performance of their work, nor for compliance with applicable safety Laws and Regulations.

Contractor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury, or loss to:

1. all persons on the Site or who may be affected by the Work;
  2. all the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site; and
  3. other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, other work in progress, utilities, and Underground Facilities not designated for removal, relocation, or replacement in the course of construction.
- B. Contractor shall comply with all applicable Laws and Regulations relating to the safety of persons or property, or to the protection of persons or property from damage, injury, or loss; and shall erect and maintain all necessary safeguards for such safety and protection. Contractor shall notify Owner; the owners of adjacent property, Underground Facilities, and other utilities; and other contractors and utility owners performing work at or adjacent to the Site, when prosecution of the Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property or work in progress.
- C. Contractor shall comply with the applicable requirements of Owner's safety programs, if any. The Supplementary Conditions identify any Owner's safety programs that are applicable to the Work.
- D. Contractor shall inform Owner and Engineer of the specific requirements of Contractor's safety program with which Owner's and Engineer's employees and representatives must comply while at the Site.
- E. All damage, injury, or loss to any property referred to in Paragraph 7.12.A.2 or 7.12.A.3 caused, directly or indirectly, in whole or in part, by Contractor, any Subcontractor, Supplier, or any other individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, shall be remedied by Contractor at its expense (except damage or loss attributable to the fault of Drawings or Specifications or to the acts or omissions of Owner or Engineer or anyone employed by any of them, or anyone for whose acts any of them may be liable, and not attributable, directly or indirectly, in whole or in part, to the fault or negligence of Contractor or any Subcontractor, Supplier, or other individual or entity directly or indirectly employed by any of them).
- F. Contractor's duties and responsibilities for safety and protection shall continue until such time as all the Work is completed and Engineer has issued a notice to Owner and Contractor in accordance with Paragraph 15.06.B that the Work is acceptable (except as otherwise expressly provided in connection with Substantial Completion).
- G. Contractor's duties and responsibilities for safety and protection shall resume whenever Contractor or any Subcontractor or Supplier returns to the Site to fulfill warranty or correction obligations, or to conduct other tasks arising from the Contract Documents.

### 7.13 *Safety Representative*

- A. Contractor shall designate a qualified and experienced safety representative at the Site whose duties and responsibilities shall be the prevention of accidents and the maintaining and supervising of safety precautions and programs.



#### 7.14 Hazard Communication Programs

- A. Contractor shall be responsible for coordinating any exchange of material safety data sheets or other hazard communication information required to be made available to or exchanged between or among employers at the Site in accordance with Laws or Regulations.

#### 7.15 Emergencies

- A. In emergencies affecting the safety or protection of persons or the Work or property at the Site or adjacent thereto, Contractor is obligated to act to prevent threatened damage, injury, or loss. Contractor shall give Engineer prompt written notice if Contractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby or are required as a result thereof. If Engineer determines that a change in the Contract Documents is required because of the action taken by Contractor in response to such an emergency, a Work Change Directive or Change Order will be issued.

#### 7.16 Shop Drawings, Samples, and Other Submittals

##### A. Shop Drawing and Sample Submittal Requirements:

1. Before submitting a Shop Drawing or Sample, Contractor shall have:
  - a. reviewed and coordinated the Shop Drawing or Sample with other Shop Drawings and Samples and with the requirements of the Work and the Contract Documents;
  - b. determined and verified all field measurements, quantities, dimensions, specified performance and design criteria, installation requirements, materials, catalog numbers, and similar information with respect thereto;
  - c. determined and verified the suitability of all materials and equipment offered with respect to the indicated application, fabrication, shipping, handling, storage, assembly, and installation pertaining to the performance of the Work; and
  - d. determined and verified all information relative to Contractor's responsibilities for means, methods, techniques, sequences, and procedures of construction, and safety precautions and programs incident thereto.
2. Each submittal shall bear a stamp or specific written certification that Contractor has satisfied Contractor's obligations under the Contract Documents with respect to Contractor's review of that submittal, and that Contractor approves the submittal.
3. With each submittal, Contractor shall give Engineer specific written notice of any variations that the Shop Drawing or Sample may have from the requirements of the Contract Documents. This notice shall be set forth in a written communication separate from the Shop Drawings or Sample submittal; and, in addition, in the case of Shop Drawings by a specific notation made on each Shop Drawing submitted to Engineer for review and approval of each such variation.

- B. *Submittal Procedures for Shop Drawings and Samples:* Contractor shall submit Shop Drawings and Samples to Engineer for review and approval in accordance with the accepted Schedule of Submittals. Each submittal will be identified as Engineer may require.

##### 1. Shop Drawings:

- a. Contractor shall submit the number of copies required in the Specifications.

- b. Data shown on the Shop Drawings will be complete with respect to quantities, dimensions, specified performance and design criteria, materials, and similar data to show Engineer the services, materials, and equipment Contractor proposes to provide and to enable Engineer to review the information for the limited purposes required by Paragraph 7.16.D.
2. *Samples:*
    - a. Contractor shall submit the number of Samples required in the Specifications.
    - b. Contractor shall clearly identify each Sample as to material, Supplier, pertinent data such as catalog numbers, the use for which intended and other data as Engineer may require to enable Engineer to review the submittal for the limited purposes required by Paragraph 7.16.D.
  3. Where a Shop Drawing or Sample is required by the Contract Documents or the Schedule of Submittals, any related Work performed prior to Engineer's review and approval of the pertinent submittal will be at the sole expense and responsibility of Contractor.
- C. *Other Submittals:* Contractor shall submit other submittals to Engineer in accordance with the accepted Schedule of Submittals, and pursuant to the applicable terms of the Specifications.
- D. *Engineer's Review:*
1. Engineer will provide timely review of Shop Drawings and Samples in accordance with the Schedule of Submittals acceptable to Engineer. Engineer's review and approval will be only to determine if the items covered by the submittals will, after installation or incorporation in the Work, conform to the information given in the Contract Documents and be compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents.
  2. Engineer's review and approval will not extend to means, methods, techniques, sequences, or procedures of construction or to safety precautions or programs incident thereto.
  3. Engineer's review and approval of a separate item as such will not indicate approval of the assembly in which the item functions.
  4. Engineer's review and approval of a Shop Drawing or Sample shall not relieve Contractor from responsibility for any variation from the requirements of the Contract Documents unless Contractor has complied with the requirements of Paragraph 7.16.A.3 and Engineer has given written approval of each such variation by specific written notation thereof incorporated in or accompanying the Shop Drawing or Sample. Engineer will document any such approved variation from the requirements of the Contract Documents in a Field Order.
  5. Engineer's review and approval of a Shop Drawing or Sample shall not relieve Contractor from responsibility for complying with the requirements of Paragraph 7.16.A and B.
  6. Engineer's review and approval of a Shop Drawing or Sample, or of a variation from the requirements of the Contract Documents, shall not, under any circumstances, change the Contract Times or Contract Price, unless such changes are included in a Change Order.

7. Neither Engineer's receipt, review, acceptance or approval of a Shop Drawing, Sample, or other submittal shall result in such item becoming a Contract Document.
8. Contractor shall perform the Work in compliance with the requirements and commitments set forth in approved Shop Drawings and Samples, subject to the provisions of Paragraph 7.16.D.4.

E. *Resubmittal Procedures:*

1. Contractor shall make corrections required by Engineer and shall return the required number of corrected copies of Shop Drawings and submit, as required, new Samples for review and approval. Contractor shall direct specific attention in writing to revisions other than the corrections called for by Engineer on previous submittals.
2. Contractor shall furnish required submittals with sufficient information and accuracy to obtain required approval of an item with no more than three submittals. Engineer will record Engineer's time for reviewing a fourth or subsequent submittal of a Shop Drawings, sample, or other item requiring approval, and Contractor shall be responsible for Engineer's charges to Owner for such time. Owner may impose a set-off against payments due to Contractor to secure reimbursement for such charges.
3. If Contractor requests a change of a previously approved submittal item, Contractor shall be responsible for Engineer's charges to Owner for its review time, and Owner may impose a set-off against payments due to Contractor to secure reimbursement for such charges, unless the need for such change is beyond the control of Contractor.

7.17 *Contractor's General Warranty and Guarantee*

- A. Contractor warrants and guarantees to Owner that all Work will be in accordance with the Contract Documents and will not be defective. Engineer and its officers, directors, members, partners, employees, agents, consultants, and subcontractors shall be entitled to rely on Contractor's warranty and guarantee.
- B. Contractor's warranty and guarantee hereunder excludes defects or damage caused by:
  1. abuse, modification, or improper maintenance or operation by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or
  2. normal wear and tear under normal usage.
- C. Contractor's obligation to perform and complete the Work in accordance with the Contract Documents shall be absolute. None of the following will constitute an acceptance of Work that is not in accordance with the Contract Documents or a release of Contractor's obligation to perform the Work in accordance with the Contract Documents:
  1. observations by Engineer;
  2. recommendation by Engineer or payment by Owner of any progress or final payment;
  3. the issuance of a certificate of Substantial Completion by Engineer or any payment related thereto by Owner;
  4. use or occupancy of the Work or any part thereof by Owner;
  5. any review and approval of a Shop Drawing or Sample submittal;
  6. the issuance of a notice of acceptability by Engineer;
  7. any inspection, test, or approval by others; or

8. any correction of defective Work by Owner.

- D. If the Contract requires the Contractor to accept the assignment of a contract entered into by Owner, then the specific warranties, guarantees, and correction obligations contained in the assigned contract shall govern with respect to Contractor's performance obligations to Owner for the Work described in the assigned contract.

#### 7.18 *Indemnification*

- A. To the fullest extent permitted by Laws and Regulations, and in addition to any other obligations of Contractor under the Contract or otherwise, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the performance of the Work, provided that any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom but only to the extent caused by any negligent act or omission of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work or anyone for whose acts any of them may be liable.
- B. In any and all claims against Owner or Engineer or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors by any employee (or the survivor or personal representative of such employee) of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, the indemnification obligation under Paragraph 7.18.A shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Contractor or any such Subcontractor, Supplier, or other individual or entity under workers' compensation acts, disability benefit acts, or other employee benefit acts.
- C. The indemnification obligations of Contractor under Paragraph 7.18.A shall not extend to the liability of Engineer and Engineer's officers, directors, members, partners, employees, agents, consultants and subcontractors arising out of:
1. the preparation or approval of, or the failure to prepare or approve maps, Drawings, opinions, reports, surveys, Change Orders, designs, or Specifications; or
  2. giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.

#### 7.19 *Delegation of Professional Design Services*

- A. Contractor will not be required to provide professional design services unless such services are specifically required by the Contract Documents for a portion of the Work or unless such services are required to carry out Contractor's responsibilities for construction means, methods, techniques, sequences and procedures. Contractor shall not be required to provide professional services in violation of applicable Laws and Regulations.
- B. If professional design services or certifications by a design professional related to systems, materials, or equipment are specifically required of Contractor by the Contract Documents, Owner and Engineer will specify all performance and design criteria that such services must satisfy. Contractor shall cause such services or certifications to be provided by a properly licensed professional, whose signature and seal shall appear on all drawings, calculations,

specifications, certifications, and other submittals prepared by such professional. Shop Drawings and other submittals related to the Work designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to Engineer.

- C. Owner and Engineer shall be entitled to rely upon the adequacy, accuracy, and completeness of the services, certifications, or approvals performed by such design professionals, provided Owner and Engineer have specified to Contractor all performance and design criteria that such services must satisfy.
- D. Pursuant to this paragraph, Engineer's review and approval of design calculations and design drawings will be only for the limited purpose of checking for conformance with performance and design criteria given and the design concept expressed in the Contract Documents. Engineer's review and approval of Shop Drawings and other submittals (except design calculations and design drawings) will be only for the purpose stated in Paragraph 7.16.D.1.
- E. Contractor shall not be responsible for the adequacy of the performance or design criteria specified by Owner or Engineer.

## ARTICLE 8 – OTHER WORK AT THE SITE

### 8.01 *Other Work*

- A. In addition to and apart from the Work under the Contract Documents, the Owner may perform other work at or adjacent to the Site. Such other work may be performed by Owner's employees, or through contracts between the Owner and third parties. Owner may also arrange to have third-party utility owners perform work on their utilities and facilities at or adjacent to the Site.
- B. If Owner performs other work at or adjacent to the Site with Owner's employees, or through contracts for such other work, then Owner shall give Contractor written notice thereof prior to starting any such other work. If Owner has advance information regarding the start of any utility work at or adjacent to the Site, Owner shall provide such information to Contractor.
- C. Contractor shall afford each other contractor that performs such other work, each utility owner performing other work, and Owner, if Owner is performing other work with Owner's employees, proper and safe access to the Site, and provide a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work. Contractor shall do all cutting, fitting, and patching of the Work that may be required to properly connect or otherwise make its several parts come together and properly integrate with such other work. Contractor shall not endanger any work of others by cutting, excavating, or otherwise altering such work; provided, however, that Contractor may cut or alter others' work with the written consent of Engineer and the others whose work will be affected.
- D. If the proper execution or results of any part of Contractor's Work depends upon work performed by others under this Article 8, Contractor shall inspect such other work and promptly report to Engineer in writing any delays, defects, or deficiencies in such other work that render it unavailable or unsuitable for the proper execution and results of Contractor's Work. Contractor's failure to so report will constitute an acceptance of such other work as fit and proper for integration with Contractor's Work except for latent defects and deficiencies in such other work.

## 8.02 *Coordination*

- A. If Owner intends to contract with others for the performance of other work at or adjacent to the Site, to perform other work at or adjacent to the Site with Owner's employees, or to arrange to have utility owners perform work at or adjacent to the Site, the following will be set forth in the Supplementary Conditions or provided to Contractor prior to the start of any such other work:
1. the identity of the individual or entity that will have authority and responsibility for coordination of the activities among the various contractors;
  2. an itemization of the specific matters to be covered by such authority and responsibility; and
  3. the extent of such authority and responsibilities.
- B. Unless otherwise provided in the Supplementary Conditions, Owner shall have sole authority and responsibility for such coordination.

## 8.03 *Legal Relationships*

- A. If, in the course of performing other work at or adjacent to the Site for Owner, the Owner's employees, any other contractor working for Owner, or any utility owner causes damage to the Work or to the property of Contractor or its Subcontractors, or delays, disrupts, interferes with, or increases the scope or cost of the performance of the Work, through actions or inaction, then Contractor shall be entitled to an equitable adjustment in the Contract Price or the Contract Times, or both. Contractor must submit any Change Proposal seeking an equitable adjustment in the Contract Price or the Contract Times under this paragraph within 30 days of the damaging, delaying, disrupting, or interfering event. The entitlement to, and extent of, any such equitable adjustment shall take into account information (if any) regarding such other work that was provided to Contractor in the Contract Documents prior to the submittal of the Bid or the final negotiation of the terms of the Contract. When applicable, any such equitable adjustment in Contract Price shall be conditioned on Contractor assigning to Owner all Contractor's rights against such other contractor or utility owner with respect to the damage, delay, disruption, or interference that is the subject of the adjustment. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times.
- B. Contractor shall take reasonable and customary measures to avoid damaging, delaying, disrupting, or interfering with the work of Owner, any other contractor, or any utility owner performing other work at or adjacent to the Site. If Contractor fails to take such measures and as a result damages, delays, disrupts, or interferes with the work of any such other contractor or utility owner, then Owner may impose a set-off against payments due to Contractor, and assign to such other contractor or utility owner the Owner's contractual rights against Contractor with respect to the breach of the obligations set forth in this paragraph.
- C. When Owner is performing other work at or adjacent to the Site with Owner's employees, Contractor shall be liable to Owner for damage to such other work, and for the reasonable direct delay, disruption, and interference costs incurred by Owner as a result of Contractor's failure to take reasonable and customary measures with respect to Owner's other work. In response to such damage, delay, disruption, or interference, Owner may impose a set-off against payments due to Contractor.

- D. If Contractor damages, delays, disrupts, or interferes with the work of any other contractor, or any utility owner performing other work at or adjacent to the Site, through Contractor's failure to take reasonable and customary measures to avoid such impacts, or if any claim arising out of Contractor's actions, inactions, or negligence in performance of the Work at or adjacent to the Site is made by any such other contractor or utility owner against Contractor, Owner, or Engineer, then Contractor shall (1) promptly attempt to settle the claim as to all parties through negotiations with such other contractor or utility owner, or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law, and (2) indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against any such claims, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such damage, delay, disruption, or interference.

## ARTICLE 9 – OWNER'S RESPONSIBILITIES

### 9.01 *Communications to Contractor*

- A. Except as otherwise provided in these General Conditions, Owner shall issue all communications to Contractor through Engineer.

### 9.02 *Replacement of Engineer*

- A. Owner may at its discretion appoint an engineer to replace Engineer, provided Contractor makes no reasonable objection to the replacement engineer. The replacement engineer's status under the Contract Documents shall be that of the former Engineer.

### 9.03 *Furnish Data*

- A. Owner shall promptly furnish the data required of Owner under the Contract Documents.

### 9.04 *Pay When Due*

- A. Owner shall make payments to Contractor when they are due as provided in the Agreement.

### 9.05 *Lands and Easements; Reports, Tests, and Drawings*

- A. Owner's duties with respect to providing lands and easements are set forth in Paragraph 5.01.
- B. Owner's duties with respect to providing engineering surveys to establish reference points are set forth in Paragraph 4.03.
- C. Article 5 refers to Owner's identifying and making available to Contractor copies of reports of explorations and tests of conditions at the Site, and drawings of physical conditions relating to existing surface or subsurface structures at the Site.

### 9.06 *Insurance*

- A. Owner's responsibilities, if any, with respect to purchasing and maintaining liability and property insurance are set forth in Article 6.

### 9.07 *Change Orders*

- A. Owner's responsibilities with respect to Change Orders are set forth in Article 11.

9.08 *Inspections, Tests, and Approvals*

- A. Owner's responsibility with respect to certain inspections, tests, and approvals is set forth in Paragraph 14.02.B.

9.09 *Limitations on Owner's Responsibilities*

- A. The Owner shall not supervise, direct, or have control or authority over, nor be responsible for, Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Owner will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.

9.10 *Undisclosed Hazardous Environmental Condition*

- A. Owner's responsibility in respect to an undisclosed Hazardous Environmental Condition is set forth in Paragraph 5.06.

9.11 *Evidence of Financial Arrangements*

- A. Upon request of Contractor, Owner shall furnish Contractor reasonable evidence that financial arrangements have been made to satisfy Owner's obligations under the Contract Documents (including obligations under proposed changes in the Work).

9.12 *Safety Programs*

- A. While at the Site, Owner's employees and representatives shall comply with the specific applicable requirements of Contractor's safety programs of which Owner has been informed.
- B. Owner shall furnish copies of any applicable Owner safety programs to Contractor.

**ARTICLE 10 – ENGINEER'S STATUS DURING CONSTRUCTION**

10.01 *Owner's Representative*

- A. Engineer will be Owner's representative during the construction period. The duties and responsibilities and the limitations of authority of Engineer as Owner's representative during construction are set forth in the Contract.

10.02 *Visits to Site*

- A. Engineer will make visits to the Site at intervals appropriate to the various stages of construction as Engineer deems necessary in order to observe as an experienced and qualified design professional the progress that has been made and the quality of the various aspects of Contractor's executed Work. Based on information obtained during such visits and observations, Engineer, for the benefit of Owner, will determine, in general, if the Work is proceeding in accordance with the Contract Documents. Engineer will not be required to make exhaustive or continuous inspections on the Site to check the quality or quantity of the Work. Engineer's efforts will be directed toward providing for Owner a greater degree of confidence that the completed Work will conform generally to the Contract Documents. On the basis of such visits and observations, Engineer will keep Owner informed of the progress of the Work and will endeavor to guard Owner against defective Work.



- B. Engineer's visits and observations are subject to all the limitations on Engineer's authority and responsibility set forth in Paragraph 10.08. Particularly, but without limitation, during or as a result of Engineer's visits or observations of Contractor's Work, Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work.

#### 10.03 *Project Representative*

- A. If Owner and Engineer have agreed that Engineer will furnish a Resident Project Representative to represent Engineer at the Site and assist Engineer in observing the progress and quality of the Work, then the authority and responsibilities of any such Resident Project Representative will be as provided in the Supplementary Conditions, and limitations on the responsibilities thereof will be as provided in Paragraph 10.08. If Owner designates another representative or agent to represent Owner at the Site who is not Engineer's consultant, agent, or employee, the responsibilities and authority and limitations thereon of such other individual or entity will be as provided in the Supplementary Conditions.

#### 10.04 *Rejecting Defective Work*

- A. Engineer has the authority to reject Work in accordance with Article 14.

#### 10.05 *Shop Drawings, Change Orders and Payments*

- A. Engineer's authority, and limitations thereof, as to Shop Drawings and Samples, are set forth in Paragraph 7.16.
- B. Engineer's authority, and limitations thereof, as to design calculations and design drawings submitted in response to a delegation of professional design services, if any, are set forth in Paragraph 7.19.
- C. Engineer's authority as to Change Orders is set forth in Article 11.
- D. Engineer's authority as to Applications for Payment is set forth in Article 15.

#### 10.06 *Determinations for Unit Price Work*

- A. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor as set forth in Paragraph 13.03.

#### 10.07 *Decisions on Requirements of Contract Documents and Acceptability of Work*

- A. Engineer will render decisions regarding the requirements of the Contract Documents, and judge the acceptability of the Work, pursuant to the specific procedures set forth herein for initial interpretations, Change Proposals, and acceptance of the Work. In rendering such decisions and judgments, Engineer will not show partiality to Owner or Contractor, and will not be liable to Owner, Contractor, or others in connection with any proceedings, interpretations, decisions, or judgments conducted or rendered in good faith.

#### 10.08 *Limitations on Engineer's Authority and Responsibilities*

- A. Neither Engineer's authority or responsibility under this Article 10 or under any other provision of the Contract, nor any decision made by Engineer in good faith either to exercise or not exercise such authority or responsibility or the undertaking, exercise, or performance of any authority or responsibility by Engineer, shall create, impose, or give rise to any duty in contract, tort, or otherwise owed by Engineer to Contractor, any

Subcontractor, any Supplier, any other individual or entity, or to any surety for or employee or agent of any of them.

- B. Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Engineer will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.
- C. Engineer will not be responsible for the acts or omissions of Contractor or of any Subcontractor, any Supplier, or of any other individual or entity performing any of the Work.
- D. Engineer's review of the final Application for Payment and accompanying documentation and all maintenance and operating instructions, schedules, guarantees, bonds, certificates of inspection, tests and approvals, and other documentation required to be delivered by Paragraph 15.06.A will only be to determine generally that their content complies with the requirements of, and in the case of certificates of inspections, tests, and approvals, that the results certified indicate compliance with the Contract Documents.
- E. The limitations upon authority and responsibility set forth in this Paragraph 10.08 shall also apply to the Resident Project Representative, if any.

#### 10.09 *Compliance with Safety Program*

- A. While at the Site, Engineer's employees and representatives will comply with the specific applicable requirements of Owner's and Contractor's safety programs (if any) of which Engineer has been informed.

### **ARTICLE 11 – AMENDING THE CONTRACT DOCUMENTS; CHANGES IN THE WORK**

#### 11.01 *Amending and Supplementing Contract Documents*

- A. The Contract Documents may be amended or supplemented by a Change Order, a Work Change Directive, or a Field Order.
  - 1. *Change Orders:*
    - a. If an amendment or supplement to the Contract Documents includes a change in the Contract Price or the Contract Times, such amendment or supplement must be set forth in a Change Order. A Change Order also may be used to establish amendments and supplements of the Contract Documents that do not affect the Contract Price or Contract Times.
    - b. Owner and Contractor may amend those terms and conditions of the Contract Documents that do not involve (1) the performance or acceptability of the Work, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, without the recommendation of the Engineer. Such an amendment shall be set forth in a Change Order.
  - 2. *Work Change Directives:* A Work Change Directive will not change the Contract Price or the Contract Times but is evidence that the parties expect that the modification ordered or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order, following negotiations by the parties as to the Work Change Directive's effect, if any, on the Contract Price and Contract Times; or, if

negotiations are unsuccessful, by a determination under the terms of the Contract Documents governing adjustments, expressly including Paragraph 11.04 regarding change of Contract Price. Contractor must submit any Change Proposal seeking an adjustment of the Contract Price or the Contract Times, or both, no later than 30 days after the completion of the Work set out in the Work Change Directive. Owner must submit any Claim seeking an adjustment of the Contract Price or the Contract Times, or both, no later than 60 days after issuance of the Work Change Directive.

3. *Field Orders*: Engineer may authorize minor changes in the Work if the changes do not involve an adjustment in the Contract Price or the Contract Times and are compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Such changes will be accomplished by a Field Order and will be binding on Owner and also on Contractor, which shall perform the Work involved promptly. If Contractor believes that a Field Order justifies an adjustment in the Contract Price or Contract Times, or both, then before proceeding with the Work at issue, Contractor shall submit a Change Proposal as provided herein.

#### 11.02 *Owner-Authorized Changes in the Work*

- A. Without invalidating the Contract and without notice to any surety, Owner may, at any time or from time to time, order additions, deletions, or revisions in the Work. Such changes shall be supported by Engineer's recommendation, to the extent the change involves the design (as set forth in the Drawings, Specifications, or otherwise), or other engineering or technical matters. Such changes may be accomplished by a Change Order, if Owner and Contractor have agreed as to the effect, if any, of the changes on Contract Times or Contract Price; or by a Work Change Directive. Upon receipt of any such document, Contractor shall promptly proceed with the Work involved; or, in the case of a deletion in the Work, promptly cease construction activities with respect to such deleted Work. Added or revised Work shall be performed under the applicable conditions of the Contract Documents. Nothing in this paragraph shall obligate Contractor to undertake work that Contractor reasonably concludes cannot be performed in a manner consistent with Contractor's safety obligations under the Contract Documents or Laws and Regulations.

#### 11.03 *Unauthorized Changes in the Work*

- A. Contractor shall not be entitled to an increase in the Contract Price or an extension of the Contract Times with respect to any work performed that is not required by the Contract Documents, as amended, modified, or supplemented, except in the case of an emergency as provided in Paragraph 7.15 or in the case of uncovering Work as provided in Paragraph 14.05.

#### 11.04 *Change of Contract Price*

- A. The Contract Price may only be changed by a Change Order. Any Change Proposal for an adjustment in the Contract Price shall comply with the provisions of Paragraph 11.06. Any Claim for an adjustment of Contract Price shall comply with the provisions of Article 12.
- B. An adjustment in the Contract Price will be determined as follows:
  1. where the Work involved is covered by unit prices contained in the Contract Documents, then by application of such unit prices to the quantities of the items involved (subject to the provisions of Paragraph 13.03); or
  2. where the Work involved is not covered by unit prices contained in the Contract Documents, then by a mutually agreed lump sum (which may include an allowance for overhead and profit not necessarily in accordance with Paragraph 11.04.C.2); or

3. where the Work involved is not covered by unit prices contained in the Contract Documents and the parties do not reach mutual agreement to a lump sum, then on the basis of the Cost of the Work (determined as provided in Paragraph 13.01) plus a Contractor's fee for overhead and profit (determined as provided in Paragraph 11.04.C).
- C. *Contractor's Fee:* When applicable, the Contractor's fee for overhead and profit shall be determined as follows:
1. a mutually acceptable fixed fee; or
  2. if a fixed fee is not agreed upon, then a fee based on the following percentages of the various portions of the Cost of the Work:
    - a. for costs incurred under Paragraphs 13.01.B.1 and 13.01.B.2, the Contractor's fee shall be 15 percent;
    - b. for costs incurred under Paragraph 13.01.B.3, the Contractor's fee shall be five percent;
    - c. where one or more tiers of subcontracts are on the basis of Cost of the Work plus a fee and no fixed fee is agreed upon, the intent of Paragraphs 11.01.C.2.a and 11.01.C.2.b is that the Contractor's fee shall be based on: (1) a fee of 15 percent of the costs incurred under Paragraphs 13.01.A.1 and 13.01.A.2 by the Subcontractor that actually performs the Work, at whatever tier, and (2) with respect to Contractor itself and to any Subcontractors of a tier higher than that of the Subcontractor that actually performs the Work, a fee of five percent of the amount (fee plus underlying costs incurred) attributable to the next lower tier Subcontractor; provided, however, that for any such subcontracted work the maximum total fee to be paid by Owner shall be no greater than 27 percent of the costs incurred by the Subcontractor that actually performs the work;
    - d. no fee shall be payable on the basis of costs itemized under Paragraphs 13.01.B.4, 13.01.B.5, and 13.01.C;
    - e. the amount of credit to be allowed by Contractor to Owner for any change which results in a net decrease in cost will be the amount of the actual net decrease in cost plus a deduction in Contractor's fee by an amount equal to five percent of such net decrease; and
    - f. when both additions and credits are involved in any one change, the adjustment in Contractor's fee shall be computed on the basis of the net change in accordance with Paragraphs 11.04.C.2.a through 11.04.C.2.e, inclusive.

#### 11.05 *Change of Contract Times*

- A. The Contract Times may only be changed by a Change Order. Any Change Proposal for an adjustment in the Contract Times shall comply with the provisions of Paragraph 11.06. Any Claim for an adjustment in the Contract Times shall comply with the provisions of Article 12.
- B. An adjustment of the Contract Times shall be subject to the limitations set forth in Paragraph 4.05, concerning delays in Contractor's progress.

## 11.06 *Change Proposals*

- A. Contractor shall submit a Change Proposal to Engineer to request an adjustment in the Contract Times or Contract Price; appeal an initial decision by Engineer concerning the requirements of the Contract Documents or relating to the acceptability of the Work under the Contract Documents; contest a set-off against payment due; or seek other relief under the Contract. The Change Proposal shall specify any proposed change in Contract Times or Contract Price, or both, or other proposed relief, and explain the reason for the proposed change, with citations to any governing or applicable provisions of the Contract Documents.
1. *Procedures:* Contractor shall submit each Change Proposal to Engineer promptly (but in no event later than 30 days) after the start of the event giving rise thereto, or after such initial decision. The Contractor shall submit supporting data, including the proposed change in Contract Price or Contract Time (if any), to the Engineer and Owner within 15 days after the submittal of the Change Proposal. The supporting data shall be accompanied by a written statement that the supporting data are accurate and complete, and that any requested time or price adjustment is the entire adjustment to which Contractor believes it is entitled as a result of said event. Engineer will advise Owner regarding the Change Proposal, and consider any comments or response from Owner regarding the Change Proposal.
  2. *Engineer's Action:* Engineer will review each Change Proposal and, within 30 days after receipt of the Contractor's supporting data, either deny the Change Proposal in whole, approve it in whole, or deny it in part and approve it in part. Such actions shall be in writing, with a copy provided to Owner and Contractor. If Engineer does not take action on the Change Proposal within 30 days, then either Owner or Contractor may at any time thereafter submit a letter to the other party indicating that as a result of Engineer's inaction the Change Proposal is deemed denied, thereby commencing the time for appeal of the denial under Article 12.
  3. *Binding Decision:* Engineer's decision will be final and binding upon Owner and Contractor, unless Owner or Contractor appeals the decision by filing a Claim under Article 12.
- B. *Resolution of Certain Change Proposals:* If the Change Proposal does not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters, then Engineer will notify the parties that the Engineer is unable to resolve the Change Proposal. For purposes of further resolution of such a Change Proposal, such notice shall be deemed a denial, and Contractor may choose to seek resolution under the terms of Article 12.

## 11.07 *Execution of Change Orders*

- A. Owner and Contractor shall execute appropriate Change Orders covering:
1. changes in the Contract Price or Contract Times which are agreed to by the parties, including any undisputed sum or amount of time for Work actually performed in accordance with a Work Change Directive;
  2. changes in Contract Price resulting from an Owner set-off, unless Contractor has duly contested such set-off;
  3. changes in the Work which are: (a) ordered by Owner pursuant to Paragraph 11.02, (b) required because of Owner's acceptance of defective Work under Paragraph 14.04 or Owner's correction of defective Work under Paragraph 14.07, or (c) agreed to by the parties, subject to the need for Engineer's recommendation if the change in the Work

involves the design (as set forth in the Drawings, Specifications, or otherwise), or other engineering or technical matters; and

4. changes in the Contract Price or Contract Times, or other changes, which embody the substance of any final and binding results under Paragraph 11.06, or Article 12.
- B. If Owner or Contractor refuses to execute a Change Order that is required to be executed under the terms of this Paragraph 11.07, it shall be deemed to be of full force and effect, as if fully executed.

#### 11.08 *Notification to Surety*

- A. If the provisions of any bond require notice to be given to a surety of any change affecting the general scope of the Work or the provisions of the Contract Documents (including, but not limited to, Contract Price or Contract Times), the giving of any such notice will be Contractor's responsibility. The amount of each applicable bond will be adjusted to reflect the effect of any such change.

### ARTICLE 12 – CLAIMS

#### 12.01 *Claims*

- A. *Claims Process:* The following disputes between Owner and Contractor shall be submitted to the Claims process set forth in this Article:
1. Appeals by Owner or Contractor of Engineer's decisions regarding Change Proposals;
  2. Owner demands for adjustments in the Contract Price or Contract Times, or other relief under the Contract Documents; and
  3. Disputes that Engineer has been unable to address because they do not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters.
- B. *Submittal of Claim:* The party submitting a Claim shall deliver it directly to the other party to the Contract promptly (but in no event later than 30 days) after the start of the event giving rise thereto; in the case of appeals regarding Change Proposals within 30 days of the decision under appeal. The party submitting the Claim shall also furnish a copy to the Engineer, for its information only. The responsibility to substantiate a Claim shall rest with the party making the Claim. In the case of a Claim by Contractor seeking an increase in the Contract Times or Contract Price, or both, Contractor shall certify that the Claim is made in good faith, that the supporting data are accurate and complete, and that to the best of Contractor's knowledge and belief the amount of time or money requested accurately reflects the full amount to which Contractor is entitled.
- C. *Review and Resolution:* The party receiving a Claim shall review it thoroughly, giving full consideration to its merits. The two parties shall seek to resolve the Claim through the exchange of information and direct negotiations. The parties may extend the time for resolving the Claim by mutual agreement. All actions taken on a Claim shall be stated in writing and submitted to the other party, with a copy to Engineer.
- D. *Mediation:*
1. At any time after initiation of a Claim, Owner and Contractor may mutually agree to mediation of the underlying dispute. The agreement to mediate shall stay the Claim submittal and response process.

2. If Owner and Contractor agree to mediation, then after 60 days from such agreement, either Owner or Contractor may unilaterally terminate the mediation process, and the Claim submittal and decision process shall resume as of the date of the termination. If the mediation proceeds but is unsuccessful in resolving the dispute, the Claim submittal and decision process shall resume as of the date of the conclusion of the mediation, as determined by the mediator.
  3. Owner and Contractor shall each pay one-half of the mediator's fees and costs.
- E. *Partial Approval:* If the party receiving a Claim approves the Claim in part and denies it in part, such action shall be final and binding unless within 30 days of such action the other party invokes the procedure set forth in Article 17 for final resolution of disputes.
- F. *Denial of Claim:* If efforts to resolve a Claim are not successful, the party receiving the Claim may deny it by giving written notice of denial to the other party. If the receiving party does not take action on the Claim within 90 days, then either Owner or Contractor may at any time thereafter submit a letter to the other party indicating that as a result of the inaction, the Claim is deemed denied, thereby commencing the time for appeal of the denial. A denial of the Claim shall be final and binding unless within 30 days of the denial the other party invokes the procedure set forth in Article 17 for the final resolution of disputes.
- G. *Final and Binding Results:* If the parties reach a mutual agreement regarding a Claim, whether through approval of the Claim, direct negotiations, mediation, or otherwise; or if a Claim is approved in part and denied in part, or denied in full, and such actions become final and binding; then the results of the agreement or action on the Claim shall be incorporated in a Change Order to the extent they affect the Contract, including the Work, the Contract Times, or the Contract Price.

## ARTICLE 13 – COST OF THE WORK; ALLOWANCES; UNIT PRICE WORK

### 13.01 *Cost of the Work*

- A. *Purposes for Determination of Cost of the Work:* The term Cost of the Work means the sum of all costs necessary for the proper performance of the Work at issue, as further defined below. The provisions of this Paragraph 13.01 are used for two distinct purposes:
1. To determine Cost of the Work when Cost of the Work is a component of the Contract Price, under cost-plus-fee, time-and-materials, or other cost-based terms; or
  2. To determine the value of a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price. When the value of any such adjustment is determined on the basis of Cost of the Work, Contractor is entitled only to those additional or incremental costs required because of the change in the Work or because of the event giving rise to the adjustment.
- B. *Costs Included:* Except as otherwise may be agreed to in writing by Owner, costs included in the Cost of the Work shall be in amounts no higher than those prevailing in the locality of the Project, shall not include any of the costs itemized in Paragraph 13.01.C, and shall include only the following items:
1. Payroll costs for employees in the direct employ of Contractor in the performance of the Work under schedules of job classifications agreed upon by Owner and Contractor. Such employees shall include, without limitation, superintendents, foremen, and other personnel employed full time on the Work. Payroll costs for employees not employed full time on the Work shall be apportioned on the basis of their time spent on the

Work. Payroll costs shall include, but not be limited to, salaries and wages plus the cost of fringe benefits, which shall include social security contributions, unemployment, excise, and payroll taxes, workers' compensation, health and retirement benefits, bonuses, sick leave, and vacation and holiday pay applicable thereto. The expenses of performing Work outside of regular working hours, on Saturday, Sunday, or legal holidays, shall be included in the above to the extent authorized by Owner.

2. Cost of all materials and equipment furnished and incorporated in the Work, including costs of transportation and storage thereof, and Suppliers' field services required in connection therewith. All cash discounts shall accrue to Contractor unless Owner deposits funds with Contractor with which to make payments, in which case the cash discounts shall accrue to Owner. All trade discounts, rebates, and refunds and returns from sale of surplus materials and equipment shall accrue to Owner, and Contractor shall make provisions so that they may be obtained.
3. Payments made by Contractor to Subcontractors for Work performed by Subcontractors. If required by Owner, Contractor shall obtain competitive bids from subcontractors acceptable to Owner and Contractor and shall deliver such bids to Owner, who will then determine, with the advice of Engineer, which bids, if any, will be acceptable. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee shall be determined in the same manner as Contractor's Cost of the Work and fee as provided in this Paragraph 13.01.
4. Costs of special consultants (including but not limited to engineers, architects, testing laboratories, surveyors, attorneys, and accountants) employed for services specifically related to the Work.
5. Supplemental costs including the following:
  - a. The proportion of necessary transportation, travel, and subsistence expenses of Contractor's employees incurred in discharge of duties connected with the Work.
  - b. Cost, including transportation and maintenance, of all materials, supplies, equipment, machinery, appliances, office, and temporary facilities at the Site, and hand tools not owned by the workers, which are consumed in the performance of the Work, and cost, less market value, of such items used but not consumed which remain the property of Contractor.
  - c. Rentals of all construction equipment and machinery, and the parts thereof, whether rented from Contractor or others in accordance with rental agreements approved by Owner with the advice of Engineer, and the costs of transportation, loading, unloading, assembly, dismantling, and removal thereof. All such costs shall be in accordance with the terms of said rental agreements. The rental of any such equipment, machinery, or parts shall cease when the use thereof is no longer necessary for the Work.
  - d. Sales, consumer, use, and other similar taxes related to the Work, and for which Contractor is liable, as imposed by Laws and Regulations.
  - e. Deposits lost for causes other than negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, and royalty payments and fees for permits and licenses.



- f. Losses and damages (and related expenses) caused by damage to the Work, not compensated by insurance or otherwise, sustained by Contractor in connection with the performance of the Work (except losses and damages within the deductible amounts of property insurance established in accordance with Paragraph 6.05), provided such losses and damages have resulted from causes other than the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable. Such losses shall include settlements made with the written consent and approval of Owner. No such losses, damages, and expenses shall be included in the Cost of the Work for the purpose of determining Contractor's fee.
  - g. The cost of utilities, fuel, and sanitary facilities at the Site.
  - h. Minor expenses such as communication service at the Site, express and courier services, and similar petty cash items in connection with the Work.
  - i. The costs of premiums for all bonds and insurance that Contractor is required by the Contract Documents to purchase and maintain.
- C. *Costs Excluded:* The term Cost of the Work shall not include any of the following items:
- 1. Payroll costs and other compensation of Contractor's officers, executives, principals (of partnerships and sole proprietorships), general managers, safety managers, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks, and other personnel employed by Contractor, whether at the Site or in Contractor's principal or branch office for general administration of the Work and not specifically included in the agreed upon schedule of job classifications referred to in Paragraph 13.01.B.1 or specifically covered by Paragraph 13.01.B.4. The payroll costs and other compensation excluded here are to be considered administrative costs covered by the Contractor's fee.
  - 2. Expenses of Contractor's principal and branch offices other than Contractor's office at the Site.
  - 3. Any part of Contractor's capital expenses, including interest on Contractor's capital employed for the Work and charges against Contractor for delinquent payments.
  - 4. Costs due to the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, including but not limited to, the correction of defective Work, disposal of materials or equipment wrongly supplied, and making good any damage to property.
  - 5. Other overhead or general expense costs of any kind and the costs of any item not specifically and expressly included in Paragraph 13.01.B.
- D. *Contractor's Fee:* When the Work as a whole is performed on the basis of cost-plus, Contractor's fee shall be determined as set forth in the Agreement. When the value of any Work covered by a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price is determined on the basis of Cost of the Work, Contractor's fee shall be determined as set forth in Paragraph 11.04.C.
- E. *Documentation:* Whenever the Cost of the Work for any purpose is to be determined pursuant to this Article 13, Contractor will establish and maintain records thereof in accordance with generally accepted accounting practices and submit in a form acceptable to Engineer an itemized cost breakdown together with supporting data.

### 13.02 Allowances

- A. It is understood that Contractor has included in the Contract Price all allowances so named in the Contract Documents and shall cause the Work so covered to be performed for such sums and by such persons or entities as may be acceptable to Owner and Engineer.
- B. *Cash Allowances*: Contractor agrees that:
  - 1. the cash allowances include the cost to Contractor (less any applicable trade discounts) of materials and equipment required by the allowances to be delivered at the Site, and all applicable taxes; and
  - 2. Contractor's costs for unloading and handling on the Site, labor, installation, overhead, profit, and other expenses contemplated for the cash allowances have been included in the Contract Price and not in the allowances, and no demand for additional payment on account of any of the foregoing will be valid.
- C. *Contingency Allowance*: Contractor agrees that a contingency allowance, if any, is for the sole use of Owner to cover unanticipated costs.
- D. Prior to final payment, an appropriate Change Order will be issued as recommended by Engineer to reflect actual amounts due Contractor on account of Work covered by allowances, and the Contract Price shall be correspondingly adjusted.

### 13.03 Unit Price Work

- A. Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Contract Price will be deemed to include for all Unit Price Work an amount equal to the sum of the unit price for each separately identified item of Unit Price Work times the estimated quantity of each item as indicated in the Agreement.
- B. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Bids and determining an initial Contract Price. Payments to Contractor for Unit Price Work will be based on actual quantities.
- C. Each unit price will be deemed to include an amount considered by Contractor to be adequate to cover Contractor's overhead and profit for each separately identified item.
- D. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor. Engineer will review with Contractor the Engineer's preliminary determinations on such matters before rendering a written decision thereon (by recommendation of an Application for Payment or otherwise). Engineer's written decision thereon will be final and binding (except as modified by Engineer to reflect changed factual conditions or more accurate data) upon Owner and Contractor, subject to the provisions of the following paragraph.
- E. Within 30 days of Engineer's written decision under the preceding paragraph, Contractor may submit a Change Proposal, or Owner may file a Claim, seeking an adjustment in the Contract Price if:
  - 1. the quantity of any item of Unit Price Work performed by Contractor differs materially and significantly from the estimated quantity of such item indicated in the Agreement;
  - 2. there is no corresponding adjustment with respect to any other item of Work; and
  - 3. Contractor believes that it is entitled to an increase in Contract Price as a result of having incurred additional expense or Owner believes that Owner is entitled to a

decrease in Contract Price, and the parties are unable to agree as to the amount of any such increase or decrease.

#### **ARTICLE 14 – TESTS AND INSPECTIONS; CORRECTION, REMOVAL OR ACCEPTANCE OF DEFECTIVE WORK**

##### 14.01 *Access to Work*

- A. Owner, Engineer, their consultants and other representatives and personnel of Owner, independent testing laboratories, and authorities having jurisdiction will have access to the Site and the Work at reasonable times for their observation, inspection, and testing. Contractor shall provide them proper and safe conditions for such access and advise them of Contractor's safety procedures and programs so that they may comply therewith as applicable.

##### 14.02 *Tests, Inspections, and Approvals*

- A. Contractor shall give Engineer timely notice of readiness of the Work (or specific parts thereof) for all required inspections and tests, and shall cooperate with inspection and testing personnel to facilitate required inspections and tests.
- B. Owner shall retain and pay for the services of an independent inspector, testing laboratory, or other qualified individual or entity to perform all inspections and tests expressly required by the Contract Documents to be furnished and paid for by Owner, except that costs incurred in connection with tests or inspections of covered Work shall be governed by the provisions of Paragraph 14.05.
- C. If Laws or Regulations of any public body having jurisdiction require any Work (or part thereof) specifically to be inspected, tested, or approved by an employee or other representative of such public body, Contractor shall assume full responsibility for arranging and obtaining such inspections, tests, or approvals, pay all costs in connection therewith, and furnish Engineer the required certificates of inspection or approval.
- D. Contractor shall be responsible for arranging, obtaining, and paying for all inspections and tests required:
  1. by the Contract Documents, unless the Contract Documents expressly allocate responsibility for a specific inspection or test to Owner;
  2. to attain Owner's and Engineer's acceptance of materials or equipment to be incorporated in the Work;
  3. by manufacturers of equipment furnished under the Contract Documents;
  4. for testing, adjusting, and balancing of mechanical, electrical, and other equipment to be incorporated into the Work; and
  5. for acceptance of materials, mix designs, or equipment submitted for approval prior to Contractor's purchase thereof for incorporation in the Work.

Such inspections and tests shall be performed by independent inspectors, testing laboratories, or other qualified individuals or entities acceptable to Owner and Engineer.

- E. If the Contract Documents require the Work (or part thereof) to be approved by Owner, Engineer, or another designated individual or entity, then Contractor shall assume full responsibility for arranging and obtaining such approvals.

- F. If any Work (or the work of others) that is to be inspected, tested, or approved is covered by Contractor without written concurrence of Engineer, Contractor shall, if requested by Engineer, uncover such Work for observation. Such uncovering shall be at Contractor's expense unless Contractor had given Engineer timely notice of Contractor's intention to cover the same and Engineer had not acted with reasonable promptness in response to such notice.

#### 14.03 *Defective Work*

- A. *Contractor's Obligation:* It is Contractor's obligation to assure that the Work is not defective.
- B. *Engineer's Authority:* Engineer has the authority to determine whether Work is defective, and to reject defective Work.
- C. *Notice of Defects:* Prompt notice of all defective Work of which Owner or Engineer has actual knowledge will be given to Contractor.
- D. *Correction, or Removal and Replacement:* Promptly after receipt of written notice of defective Work, Contractor shall correct all such defective Work, whether or not fabricated, installed, or completed, or, if Engineer has rejected the defective Work, remove it from the Project and replace it with Work that is not defective.
- E. *Preservation of Warranties:* When correcting defective Work, Contractor shall take no action that would void or otherwise impair Owner's special warranty and guarantee, if any, on said Work.
- F. *Costs and Damages:* In addition to its correction, removal, and replacement obligations with respect to defective Work, Contractor shall pay all claims, costs, losses, and damages arising out of or relating to defective Work, including but not limited to the cost of the inspection, testing, correction, removal, replacement, or reconstruction of such defective Work, fines levied against Owner by governmental authorities because the Work is defective, and the costs of repair or replacement of work of others resulting from defective Work. Prior to final payment, if Owner and Contractor are unable to agree as to the measure of such claims, costs, losses, and damages resulting from defective Work, then Owner may impose a reasonable set-off against payments due under Article 15.

#### 14.04 *Acceptance of Defective Work*

- A. If, instead of requiring correction or removal and replacement of defective Work, Owner prefers to accept it, Owner may do so (subject, if such acceptance occurs prior to final payment, to Engineer's confirmation that such acceptance is in general accord with the design intent and applicable engineering principles, and will not endanger public safety). Contractor shall pay all claims, costs, losses, and damages attributable to Owner's evaluation of and determination to accept such defective Work (such costs to be approved by Engineer as to reasonableness), and for the diminished value of the Work to the extent not otherwise paid by Contractor. If any such acceptance occurs prior to final payment, the necessary revisions in the Contract Documents with respect to the Work shall be incorporated in a Change Order. If the parties are unable to agree as to the decrease in the Contract Price, reflecting the diminished value of Work so accepted, then Owner may impose a reasonable set-off against payments due under Article 15. If the acceptance of defective Work occurs after final payment, Contractor shall pay an appropriate amount to Owner.

#### 14.05 *Uncovering Work*

- A. Engineer has the authority to require special inspection or testing of the Work, whether or not the Work is fabricated, installed, or completed.
- B. If any Work is covered contrary to the written request of Engineer, then Contractor shall, if requested by Engineer, uncover such Work for Engineer's observation, and then replace the covering, all at Contractor's expense.
- C. If Engineer considers it necessary or advisable that covered Work be observed by Engineer or inspected or tested by others, then Contractor, at Engineer's request, shall uncover, expose, or otherwise make available for observation, inspection, or testing as Engineer may require, that portion of the Work in question, and provide all necessary labor, material, and equipment.
  - 1. If it is found that the uncovered Work is defective, Contractor shall be responsible for all claims, costs, losses, and damages arising out of or relating to such uncovering, exposure, observation, inspection, and testing, and of satisfactory replacement or reconstruction (including but not limited to all costs of repair or replacement of work of others); and pending Contractor's full discharge of this responsibility the Owner shall be entitled to impose a reasonable set-off against payments due under Article 15.
  - 2. If the uncovered Work is not found to be defective, Contractor shall be allowed an increase in the Contract Price or an extension of the Contract Times, or both, directly attributable to such uncovering, exposure, observation, inspection, testing, replacement, and reconstruction. If the parties are unable to agree as to the amount or extent thereof, then Contractor may submit a Change Proposal within 30 days of the determination that the Work is not defective.

#### 14.06 *Owner May Stop the Work*

- A. If the Work is defective, or Contractor fails to supply sufficient skilled workers or suitable materials or equipment, or fails to perform the Work in such a way that the completed Work will conform to the Contract Documents, then Owner may order Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, this right of Owner to stop the Work shall not give rise to any duty on the part of Owner to exercise this right for the benefit of Contractor, any Subcontractor, any Supplier, any other individual or entity, or any surety for, or employee or agent of any of them.

#### 14.07 *Owner May Correct Defective Work*

- A. If Contractor fails within a reasonable time after written notice from Engineer to correct defective Work, or to remove and replace rejected Work as required by Engineer, or if Contractor fails to perform the Work in accordance with the Contract Documents, or if Contractor fails to comply with any other provision of the Contract Documents, then Owner may, after seven days written notice to Contractor, correct or remedy any such deficiency.
- B. In exercising the rights and remedies under this Paragraph 14.07, Owner shall proceed expeditiously. In connection with such corrective or remedial action, Owner may exclude Contractor from all or part of the Site, take possession of all or part of the Work and suspend Contractor's services related thereto, and incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere. Contractor shall allow Owner, Owner's representatives, agents and employees, Owner's other contractors, and Engineer and Engineer's consultants access to the Site to enable Owner to exercise the rights and remedies under this paragraph.

- C. All claims, costs, losses, and damages incurred or sustained by Owner in exercising the rights and remedies under this Paragraph 14.07 will be charged against Contractor as set-offs against payments due under Article 15. Such claims, costs, losses and damages will include but not be limited to all costs of repair, or replacement of work of others destroyed or damaged by correction, removal, or replacement of Contractor's defective Work.
- D. Contractor shall not be allowed an extension of the Contract Times because of any delay in the performance of the Work attributable to the exercise by Owner of Owner's rights and remedies under this Paragraph 14.07.

## ARTICLE 15 – PAYMENTS TO CONTRACTOR; SET-OFFS; COMPLETION; CORRECTION PERIOD

### 15.01 Progress Payments

- A. *Basis for Progress Payments:* The Schedule of Values established as provided in Article 2 will serve as the basis for progress payments and will be incorporated into a form of Application for Payment acceptable to Engineer. Progress payments on account of Unit Price Work will be based on the number of units completed during the pay period, as determined under the provisions of Paragraph 13.03. Progress payments for cost-based Work will be based on Cost of the Work completed by Contractor during the pay period.
- B. *Applications for Payments:*
  1. At least 20 days before the date established in the Agreement for each progress payment (but not more often than once a month), Contractor shall submit to Engineer for review an Application for Payment filled out and signed by Contractor covering the Work completed as of the date of the Application and accompanied by such supporting documentation as is required by the Contract Documents. If payment is requested on the basis of materials and equipment not incorporated in the Work but delivered and suitably stored at the Site or at another location agreed to in writing, the Application for Payment shall also be accompanied by a bill of sale, invoice, or other documentation warranting that Owner has received the materials and equipment free and clear of all Liens, and evidence that the materials and equipment are covered by appropriate property insurance, a warehouse bond, or other arrangements to protect Owner's interest therein, all of which must be satisfactory to Owner.
  2. Beginning with the second Application for Payment, each Application shall include an affidavit of Contractor stating that all previous progress payments received on account of the Work have been applied on account to discharge Contractor's legitimate obligations associated with prior Applications for Payment.
  3. The amount of retainage with respect to progress payments will be as stipulated in the Agreement.
- C. *Review of Applications:*
  1. Engineer will, within 10 days after receipt of each Application for Payment, including each resubmittal, either indicate in writing a recommendation of payment and present the Application to Owner, or return the Application to Contractor indicating in writing Engineer's reasons for refusing to recommend payment. In the latter case, Contractor may make the necessary corrections and resubmit the Application.
  2. Engineer's recommendation of any payment requested in an Application for Payment will constitute a representation by Engineer to Owner, based on Engineer's observations of the executed Work as an experienced and qualified design

professional, and on Engineer's review of the Application for Payment and the accompanying data and schedules, that to the best of Engineer's knowledge, information and belief:

- a. the Work has progressed to the point indicated;
  - b. the quality of the Work is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, the results of any subsequent tests called for in the Contract Documents, a final determination of quantities and classifications for Unit Price Work under Paragraph 13.03, and any other qualifications stated in the recommendation); and
  - c. the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe the Work.
3. By recommending any such payment Engineer will not thereby be deemed to have represented that:
    - a. inspections made to check the quality or the quantity of the Work as it has been performed have been exhaustive, extended to every aspect of the Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Contract; or
    - b. there may not be other matters or issues between the parties that might entitle Contractor to be paid additionally by Owner or entitle Owner to withhold payment to Contractor.
  4. Neither Engineer's review of Contractor's Work for the purposes of recommending payments nor Engineer's recommendation of any payment, including final payment, will impose responsibility on Engineer:
    - a. to supervise, direct, or control the Work, or
    - b. for the means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or
    - c. for Contractor's failure to comply with Laws and Regulations applicable to Contractor's performance of the Work, or
    - d. to make any examination to ascertain how or for what purposes Contractor has used the money paid on account of the Contract Price, or
    - e. to determine that title to any of the Work, materials, or equipment has passed to Owner free and clear of any Liens.
  5. Engineer may refuse to recommend the whole or any part of any payment if, in Engineer's opinion, it would be incorrect to make the representations to Owner stated in Paragraph 15.01.C.2.
  6. Engineer will recommend reductions in payment (set-offs) necessary in Engineer's opinion to protect Owner from loss because:
    - a. the Work is defective, requiring correction or replacement;
    - b. the Contract Price has been reduced by Change Orders;

- c. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
- d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible; or
- e. Engineer has actual knowledge of the occurrence of any of the events that would constitute a default by Contractor and therefore justify termination for cause under the Contract Documents.

D. *Payment Becomes Due:*

- 1. Ten days after presentation of the Application for Payment to Owner with Engineer's recommendation, the amount recommended (subject to any Owner set-offs) will become due, and when due will be paid by Owner to Contractor.

E. *Reductions in Payment by Owner:*

- 1. In addition to any reductions in payment (set-offs) recommended by Engineer, Owner is entitled to impose a set-off against payment based on any of the following:
  - a. claims have been made against Owner on account of Contractor's conduct in the performance or furnishing of the Work, or Owner has incurred costs, losses, or damages on account of Contractor's conduct in the performance or furnishing of the Work, including but not limited to claims, costs, losses, or damages from workplace injuries, adjacent property damage, non-compliance with Laws and Regulations, and patent infringement;
  - b. Contractor has failed to take reasonable and customary measures to avoid damage, delay, disruption, and interference with other work at or adjacent to the Site;
  - c. Contractor has failed to provide and maintain required bonds or insurance;
  - d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible;
  - e. Owner has incurred extra charges or engineering costs related to submittal reviews, evaluations of proposed substitutes, tests and inspections, or return visits to manufacturing or assembly facilities;
  - f. the Work is defective, requiring correction or replacement;
  - g. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
  - h. the Contract Price has been reduced by Change Orders;
  - i. an event that would constitute a default by Contractor and therefore justify a termination for cause has occurred;
  - j. liquidated damages have accrued as a result of Contractor's failure to achieve Milestones, Substantial Completion, or final completion of the Work;
  - k. Liens have been filed in connection with the Work, except where Contractor has delivered a specific bond satisfactory to Owner to secure the satisfaction and discharge of such Liens;
  - l. there are other items entitling Owner to a set off against the amount recommended.



2. If Owner imposes any set-off against payment, whether based on its own knowledge or on the written recommendations of Engineer, Owner will give Contractor immediate written notice (with a copy to Engineer) stating the reasons for such action and the specific amount of the reduction, and promptly pay Contractor any amount remaining after deduction of the amount so withheld. Owner shall promptly pay Contractor the amount so withheld, or any adjustment thereto agreed to by Owner and Contractor, if Contractor remedies the reasons for such action. The reduction imposed shall be binding on Contractor unless it duly submits a Change Proposal contesting the reduction.
3. Upon a subsequent determination that Owner's refusal of payment was not justified, the amount wrongfully withheld shall be treated as an amount due as determined by Paragraph 15.01.C.1 and subject to interest as provided in the Agreement.

#### 15.02 *Contractor's Warranty of Title*

- A. Contractor warrants and guarantees that title to all Work, materials, and equipment furnished under the Contract will pass to Owner free and clear of (1) all Liens and other title defects, and (2) all patent, licensing, copyright, or royalty obligations, no later than seven days after the time of payment by Owner.

#### 15.03 *Substantial Completion*

- A. When Contractor considers the entire Work ready for its intended use Contractor shall notify Owner and Engineer in writing that the entire Work is substantially complete and request that Engineer issue a certificate of Substantial Completion. Contractor shall at the same time submit to Owner and Engineer an initial draft of punch list items to be completed or corrected before final payment.
- B. Promptly after Contractor's notification, Owner, Contractor, and Engineer shall make an inspection of the Work to determine the status of completion. If Engineer does not consider the Work substantially complete, Engineer will notify Contractor in writing giving the reasons therefor.
- C. If Engineer considers the Work substantially complete, Engineer will deliver to Owner a preliminary certificate of Substantial Completion which shall fix the date of Substantial Completion. Engineer shall attach to the certificate a punch list of items to be completed or corrected before final payment. Owner shall have seven days after receipt of the preliminary certificate during which to make written objection to Engineer as to any provisions of the certificate or attached punch list. If, after considering the objections to the provisions of the preliminary certificate, Engineer concludes that the Work is not substantially complete, Engineer will, within 14 days after submission of the preliminary certificate to Owner, notify Contractor in writing that the Work is not substantially complete, stating the reasons therefor. If Owner does not object to the provisions of the certificate, or if despite consideration of Owner's objections Engineer concludes that the Work is substantially complete, then Engineer will, within said 14 days, execute and deliver to Owner and Contractor a final certificate of Substantial Completion (with a revised punch list of items to be completed or corrected) reflecting such changes from the preliminary certificate as Engineer believes justified after consideration of any objections from Owner.
- D. At the time of receipt of the preliminary certificate of Substantial Completion, Owner and Contractor will confer regarding Owner's use or occupancy of the Work following Substantial Completion, review the builder's risk insurance policy with respect to the end of the builder's risk coverage, and confirm the transition to coverage of the Work under a

permanent property insurance policy held by Owner. Unless Owner and Contractor agree otherwise in writing, Owner shall bear responsibility for security, operation, protection of the Work, property insurance, maintenance, heat, and utilities upon Owner's use or occupancy of the Work.

- E. After Substantial Completion the Contractor shall promptly begin work on the punch list of items to be completed or corrected prior to final payment. In appropriate cases Contractor may submit monthly Applications for Payment for completed punch list items, following the progress payment procedures set forth above.
- F. Owner shall have the right to exclude Contractor from the Site after the date of Substantial Completion subject to allowing Contractor reasonable access to remove its property and complete or correct items on the punch list.

#### 15.04 *Partial Use or Occupancy*

- A. Prior to Substantial Completion of all the Work, Owner may use or occupy any substantially completed part of the Work which has specifically been identified in the Contract Documents, or which Owner, Engineer, and Contractor agree constitutes a separately functioning and usable part of the Work that can be used by Owner for its intended purpose without significant interference with Contractor's performance of the remainder of the Work, subject to the following conditions:
  1. At any time Owner may request in writing that Contractor permit Owner to use or occupy any such part of the Work that Owner believes to be substantially complete. If and when Contractor agrees that such part of the Work is substantially complete, Contractor, Owner, and Engineer will follow the procedures of Paragraph 15.03.A through E for that part of the Work.
  2. At any time Contractor may notify Owner and Engineer in writing that Contractor considers any such part of the Work substantially complete and request Engineer to issue a certificate of Substantial Completion for that part of the Work.
  3. Within a reasonable time after either such request, Owner, Contractor, and Engineer shall make an inspection of that part of the Work to determine its status of completion. If Engineer does not consider that part of the Work to be substantially complete, Engineer will notify Owner and Contractor in writing giving the reasons therefor. If Engineer considers that part of the Work to be substantially complete, the provisions of Paragraph 15.03 will apply with respect to certification of Substantial Completion of that part of the Work and the division of responsibility in respect thereof and access thereto.
  4. No use or occupancy or separate operation of part of the Work may occur prior to compliance with the requirements of Paragraph 6.05 regarding builder's risk or other property insurance.

#### 15.05 *Final Inspection*

- A. Upon written notice from Contractor that the entire Work or an agreed portion thereof is complete, Engineer will promptly make a final inspection with Owner and Contractor and will notify Contractor in writing of all particulars in which this inspection reveals that the Work, or agreed portion thereof, is incomplete or defective. Contractor shall immediately take such measures as are necessary to complete such Work or remedy such deficiencies.

## 15.06 Final Payment

### A. Application for Payment:

1. After Contractor has, in the opinion of Engineer, satisfactorily completed all corrections identified during the final inspection and has delivered, in accordance with the Contract Documents, all maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance, certificates of inspection, annotated record documents (as provided in Paragraph 7.11), and other documents, Contractor may make application for final payment.
2. The final Application for Payment shall be accompanied (except as previously delivered) by:
  - a. all documentation called for in the Contract Documents;
  - b. consent of the surety, if any, to final payment;
  - c. satisfactory evidence that all title issues have been resolved such that title to all Work, materials, and equipment has passed to Owner free and clear of any Liens or other title defects, or will so pass upon final payment.
  - d. a list of all disputes that Contractor believes are unsettled; and
  - e. complete and legally effective releases or waivers (satisfactory to Owner) of all Lien rights arising out of the Work, and of Liens filed in connection with the Work.
3. In lieu of the releases or waivers of Liens specified in Paragraph 15.06.A.2 and as approved by Owner, Contractor may furnish receipts or releases in full and an affidavit of Contractor that: (a) the releases and receipts include all labor, services, material, and equipment for which a Lien could be filed; and (b) all payrolls, material and equipment bills, and other indebtedness connected with the Work for which Owner might in any way be responsible, or which might in any way result in liens or other burdens on Owner's property, have been paid or otherwise satisfied. If any Subcontractor or Supplier fails to furnish such a release or receipt in full, Contractor may furnish a bond or other collateral satisfactory to Owner to indemnify Owner against any Lien, or Owner at its option may issue joint checks payable to Contractor and specified Subcontractors and Suppliers.

### B. Engineer's Review of Application and Acceptance:

1. If, on the basis of Engineer's observation of the Work during construction and final inspection, and Engineer's review of the final Application for Payment and accompanying documentation as required by the Contract Documents, Engineer is satisfied that the Work has been completed and Contractor's other obligations under the Contract have been fulfilled, Engineer will, within ten days after receipt of the final Application for Payment, indicate in writing Engineer's recommendation of final payment and present the Application for Payment to Owner for payment. Such recommendation shall account for any set-offs against payment that are necessary in Engineer's opinion to protect Owner from loss for the reasons stated above with respect to progress payments. At the same time Engineer will also give written notice to Owner and Contractor that the Work is acceptable, subject to the provisions of Paragraph 15.07. Otherwise, Engineer will return the Application for Payment to Contractor, indicating in writing the reasons for refusing to recommend final payment, in which case Contractor shall make the necessary corrections and resubmit the Application for Payment.

- C. *Completion of Work:* The Work is complete (subject to surviving obligations) when it is ready for final payment as established by the Engineer's written recommendation of final payment.
- D. *Payment Becomes Due:* Thirty days after the presentation to Owner of the final Application for Payment and accompanying documentation, the amount recommended by Engineer (less any further sum Owner is entitled to set off against Engineer's recommendation, including but not limited to set-offs for liquidated damages and set-offs allowed under the provisions above with respect to progress payments) will become due and shall be paid by Owner to Contractor.

#### 15.07 *Waiver of Claims*

- A. The making of final payment will not constitute a waiver by Owner of claims or rights against Contractor. Owner expressly reserves claims and rights arising from unsettled Liens, from defective Work appearing after final inspection pursuant to Paragraph 15.05, from Contractor's failure to comply with the Contract Documents or the terms of any special guarantees specified therein, from outstanding Claims by Owner, or from Contractor's continuing obligations under the Contract Documents.
- B. The acceptance of final payment by Contractor will constitute a waiver by Contractor of all claims and rights against Owner other than those pending matters that have been duly submitted or appealed under the provisions of Article 17.

#### 15.08 *Correction Period*

- A. If within one year after the date of Substantial Completion (or such longer period of time as may be prescribed by the terms of any applicable special guarantee required by the Contract Documents, or by any specific provision of the Contract Documents), any Work is found to be defective, or if the repair of any damages to the Site, adjacent areas that Contractor has arranged to use through construction easements or otherwise, and other adjacent areas used by Contractor as permitted by Laws and Regulations, is found to be defective, then Contractor shall promptly, without cost to Owner and in accordance with Owner's written instructions:
  1. correct the defective repairs to the Site or such other adjacent areas;
  2. correct such defective Work;
  3. if the defective Work has been rejected by Owner, remove it from the Project and replace it with Work that is not defective, and
  4. satisfactorily correct or repair or remove and replace any damage to other Work, to the work of others, or to other land or areas resulting therefrom.
- B. If Contractor does not promptly comply with the terms of Owner's written instructions, or in an emergency where delay would cause serious risk of loss or damage, Owner may have the defective Work corrected or repaired or may have the rejected Work removed and replaced. Contractor shall pay all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and replacement (including but not limited to all costs of repair or replacement of work of others).
- C. In special circumstances where a particular item of equipment is placed in continuous service before Substantial Completion of all the Work, the correction period for that item may start to run from an earlier date if so provided in the Specifications.

- D. Where defective Work (and damage to other Work resulting therefrom) has been corrected or removed and replaced under this paragraph, the correction period hereunder with respect to such Work will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.
- E. Contractor's obligations under this paragraph are in addition to all other obligations and warranties. The provisions of this paragraph shall not be construed as a substitute for, or a waiver of, the provisions of any applicable statute of limitation or repose.

## ARTICLE 16 – SUSPENSION OF WORK AND TERMINATION

### 16.01 *Owner May Suspend Work*

- A. At any time and without cause, Owner may suspend the Work or any portion thereof for a period of not more than 90 consecutive days by written notice to Contractor and Engineer. Such notice will fix the date on which Work will be resumed. Contractor shall resume the Work on the date so fixed. Contractor shall be entitled to an adjustment in the Contract Price or an extension of the Contract Times, or both, directly attributable to any such suspension. Any Change Proposal seeking such adjustments shall be submitted no later than 30 days after the date fixed for resumption of Work.

### 16.02 *Owner May Terminate for Cause*

- A. The occurrence of any one or more of the following events will constitute a default by Contractor and justify termination for cause:
  1. Contractor's persistent failure to perform the Work in accordance with the Contract Documents (including, but not limited to, failure to supply sufficient skilled workers or suitable materials or equipment or failure to adhere to the Progress Schedule);
  2. Failure of Contractor to perform or otherwise to comply with a material term of the Contract Documents;
  3. Contractor's disregard of Laws or Regulations of any public body having jurisdiction; or
  4. Contractor's repeated disregard of the authority of Owner or Engineer.
- B. If one or more of the events identified in Paragraph 16.02.A occurs, then after giving Contractor (and any surety) ten days written notice that Owner is considering a declaration that Contractor is in default and termination of the contract, Owner may proceed to:
  1. declare Contractor to be in default, and give Contractor (and any surety) notice that the Contract is terminated; and
  2. enforce the rights available to Owner under any applicable performance bond.
- C. Subject to the terms and operation of any applicable performance bond, if Owner has terminated the Contract for cause, Owner may exclude Contractor from the Site, take possession of the Work, incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere, and complete the Work as Owner may deem expedient.
- D. Owner may not proceed with termination of the Contract under Paragraph 16.02.B if Contractor within seven days of receipt of notice of intent to terminate begins to correct its failure to perform and proceeds diligently to cure such failure.

- E. If Owner proceeds as provided in Paragraph 16.02.B, Contractor shall not be entitled to receive any further payment until the Work is completed. If the unpaid balance of the Contract Price exceeds the cost to complete the Work, including all related claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals) sustained by Owner, such excess will be paid to Contractor. If the cost to complete the Work including such related claims, costs, losses, and damages exceeds such unpaid balance, Contractor shall pay the difference to Owner. Such claims, costs, losses, and damages incurred by Owner will be reviewed by Engineer as to their reasonableness and, when so approved by Engineer, incorporated in a Change Order. When exercising any rights or remedies under this paragraph, Owner shall not be required to obtain the lowest price for the Work performed.
- F. Where Contractor's services have been so terminated by Owner, the termination will not affect any rights or remedies of Owner against Contractor then existing or which may thereafter accrue, or any rights or remedies of Owner against Contractor or any surety under any payment bond or performance bond. Any retention or payment of money due Contractor by Owner will not release Contractor from liability.
- G. If and to the extent that Contractor has provided a performance bond under the provisions of Paragraph 6.01.A, the provisions of that bond shall govern over any inconsistent provisions of Paragraphs 16.02.B and 16.02.D.

#### 16.03 *Owner May Terminate For Convenience*

- A. Upon seven days written notice to Contractor and Engineer, Owner may, without cause and without prejudice to any other right or remedy of Owner, terminate the Contract. In such case, Contractor shall be paid for (without duplication of any items):
  1. completed and acceptable Work executed in accordance with the Contract Documents prior to the effective date of termination, including fair and reasonable sums for overhead and profit on such Work;
  2. expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials, or equipment as required by the Contract Documents in connection with uncompleted Work, plus fair and reasonable sums for overhead and profit on such expenses; and
  3. other reasonable expenses directly attributable to termination, including costs incurred to prepare a termination for convenience cost proposal.
- B. Contractor shall not be paid on account of loss of anticipated overhead, profits, or revenue, or other economic loss arising out of or resulting from such termination.

#### 16.04 *Contractor May Stop Work or Terminate*

- A. If, through no act or fault of Contractor, (1) the Work is suspended for more than 90 consecutive days by Owner or under an order of court or other public authority, or (2) Engineer fails to act on any Application for Payment within 30 days after it is submitted, or (3) Owner fails for 30 days to pay Contractor any sum finally determined to be due, then Contractor may, upon seven days written notice to Owner and Engineer, and provided Owner or Engineer do not remedy such suspension or failure within that time, terminate the contract and recover from Owner payment on the same terms as provided in Paragraph 16.03.

- B. In lieu of terminating the Contract and without prejudice to any other right or remedy, if Engineer has failed to act on an Application for Payment within 30 days after it is submitted, or Owner has failed for 30 days to pay Contractor any sum finally determined to be due, Contractor may, seven days after written notice to Owner and Engineer, stop the Work until payment is made of all such amounts due Contractor, including interest thereon. The provisions of this paragraph are not intended to preclude Contractor from submitting a Change Proposal for an adjustment in Contract Price or Contract Times or otherwise for expenses or damage directly attributable to Contractor's stopping the Work as permitted by this paragraph.

## ARTICLE 17 – FINAL RESOLUTION OF DISPUTES

### 17.01 *Methods and Procedures*

- A. *Disputes Subject to Final Resolution:* The following disputed matters are subject to final resolution under the provisions of this Article:
1. A timely appeal of an approval in part and denial in part of a Claim, or of a denial in full; and
  2. Disputes between Owner and Contractor concerning the Work or obligations under the Contract Documents, and arising after final payment has been made.
- B. *Final Resolution of Disputes:* For any dispute subject to resolution under this Article, Owner or Contractor may:
1. elect in writing to invoke the dispute resolution process provided for in the Supplementary Conditions; or
  2. agree with the other party to submit the dispute to another dispute resolution process; or
  3. if no dispute resolution process is provided for in the Supplementary Conditions or mutually agreed to, give written notice to the other party of the intent to submit the dispute to a court of competent jurisdiction.

## ARTICLE 18 – MISCELLANEOUS

### 18.01 *Giving Notice*

- A. Whenever any provision of the Contract Documents requires the giving of written notice, it will be deemed to have been validly given if:
1. delivered in person, by a commercial courier service or otherwise, to the individual or to a member of the firm or to an officer of the corporation for which it is intended; or
  2. delivered at or sent by registered or certified mail, postage prepaid, to the last business address known to the sender of the notice.

### 18.02 *Computation of Times*

- A. When any period of time is referred to in the Contract by days, it will be computed to exclude the first and include the last day of such period. If the last day of any such period falls on a Saturday or Sunday or on a day made a legal holiday by the law of the applicable jurisdiction, such day will be omitted from the computation.

### 18.03 *Cumulative Remedies*

- A. The duties and obligations imposed by these General Conditions and the rights and remedies available hereunder to the parties hereto are in addition to, and are not to be construed in any way as a limitation of, any rights and remedies available to any or all of them which are otherwise imposed or available by Laws or Regulations, by special warranty or guarantee, or by other provisions of the Contract. The provisions of this paragraph will be as effective as if repeated specifically in the Contract Documents in connection with each particular duty, obligation, right, and remedy to which they apply.

### 18.04 *Limitation of Damages*

- A. With respect to any and all Change Proposals, Claims, disputes subject to final resolution, and other matters at issue, neither Owner nor Engineer, nor any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, shall be liable to Contractor for any claims, costs, losses, or damages sustained by Contractor on or in connection with any other project or anticipated project.

### 18.05 *No Waiver*

- A. A party's non-enforcement of any provision shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Contract.

### 18.06 *Survival of Obligations*

- A. All representations, indemnifications, warranties, and guarantees made in, required by, or given in accordance with the Contract, as well as all continuing obligations indicated in the Contract, will survive final payment, completion, and acceptance of the Work or termination or completion of the Contract or termination of the services of Contractor.

### 18.07 *Controlling Law*

- A. This Contract is to be governed by the law of the state in which the Project is located.

### 18.08 *Headings*

- A. Article and paragraph headings are inserted for convenience only and do not constitute parts of these General Conditions.



SUPPLEMENTARY CONDITIONS

TABLE OF ARTICLES

Article Number	Title	Page
SC-5.03	Subsurface and Physical Conditions .....	1
SC-5.05	Underground Facilities .....	1
SC-5.05.B	Underground Facilities .....	1
SC-5.06	Hazardous Environmental Conditions.....	2
SC-6.03	Contractor’s Insurance .....	2
SC-7.02	Labor; Working Hours .....	2
SC-7.06	Concerning Subcontractors, Suppliers, and Others .....	3
SC-7.08	Permits .....	3
SC-7.10	Laws and Regulations.....	3
SC-12.01	Claims .....	3
SC-13.03	Unit Price Work .....	3
SC-15.01.B	Applications for Payments .....	3
SC-15.01.C	Review of Applications .....	3
SC-15.05	Final Inspection .....	4
SC-15.06.A	Application for Payment .....	4

These Supplementary Conditions amend or supplement the Standard General Conditions of the Construction Contract, EJCDC® C-700 ( 2013 Edition). All provisions that are not so amended or supplemented remain in full force and effect.

The terms used in these Supplementary Conditions will have the meanings stated in the General Conditions. Additional terms used in these Supplementary Conditions have the meanings stated below, which are applicable to both the singular and plural thereof.

The address system used in these Supplementary Conditions is the same as the address system used in the General Conditions, with the prefix “SC” added thereto.

**SC-5.03 Subsurface and Physical Conditions**

Delete Paragraphs 5.03.A and 5.03.B in their entirety and insert the following:

- A. No reports of explorations or tests of subsurface conditions at or adjacent to the Site, or drawings of physical conditions relating to existing surface or subsurface structures at the Site, are known to Owner.

**SC-5.05 Underground Facilities**

Add the following sentence at the end of the first sentence of Paragraph 5.05.A:

The subsurface utility information in this plan is utility quality level D. This quality level was determined according to the guidelines of [CI/ASCE 38-02](#), titled “Standard Guideline for the Collection and Depiction of Existing Subsurface Utility Data.

**SC-5.05.B Underground Facilities**

Add new paragraph immediately after Paragraph 5.05.B to read as follows:

- 1. Underground utility locations can be obtained from the following owners and services:

Utility	Owner	Phone
Location Service	Gopher State One Call	Metro: 651.454.0002 Out State: 800.252.1166

**SC-5.06 Hazardous Environmental Conditions**

Delete Paragraphs 5.06.A and 5.06.B in their entirety and insert the following:

- A. No reports or drawings related to Hazardous Environmental Conditions at the Site are known to Owner.
- B. Not Used.

**SC-6.03 Contractor’s Insurance**

Add the following new paragraph immediately after Paragraph 6.03.J:

- K. The limits of liability for the insurance required by Paragraph 6.03 of the General Conditions shall provide coverage for not less than the following amounts or greater where required by Laws and Regulations:
  - 1. Worker’s Compensation and related coverages under Paragraphs 6.03.A.1 and A.2 of the General Conditions:
    - a. State: Statutory
    - b. Federal, if applicable (e.g., Longshoreman’s): Statutory
    - c. Employer’s Liability:
      - 1) Bodily injury, each accident \$100,000
      - 2) Bodily injury by disease, each employee \$100,000
      - 3) Bodily injury/disease, aggregate \$500,000
  - 2. Contractor’s Commercial General Liability under Paragraphs 6.03.B and 6.03.C of the General Conditions:
    - a. General Aggregate \$1,500,000
    - b. Products - Completed Operations Aggregate \$1,500,000
    - c. Each Occurrence (Bodily Injury and Property Damage) \$1,500,000
  - 3. Automobile Liability under Paragraph 6.03.D of the General Conditions:
    - a. Each occurrence (combined single limit for bodily injury and property damage: \$1,500,000
  - 4. Excess or Umbrella Liability  
Contractor can use umbrella coverage to get minimum limit amount of \$1,500,000. If the contractor has \$1,000,000 of the Commercial Auto and General Liability yet also has \$1,000,000 umbrella, then the contractor has adequate insurance coverage.
  - 5. Additional Insureds: List Grand Rapids Public Utilities Commission as additional insured

**SC-7.02 Labor; Working Hours**

Delete Paragraph 7.02.B in its entirety and substitute the following in its place:

- B. In the absence of any Laws or Regulations to the contrary, Contractor may perform the Work on holidays, during any or all hours of the day, and on any or all days of the week, at Contractor’s sole discretion.

**SC-7.06 Concerning Subcontractors, Suppliers, and Others**

Add the following language at the end of Paragraph 7.06.O.2:

In accordance with Minnesota Statute 471.425, Contractor shall pay any subcontractor within ten days of the Contractor's receipt of payment from the municipality. Contractor shall pay interest on any unpaid amounts in accordance with the statute.

**SC-7.08 Permits**

Add new paragraphs immediately after Paragraph 7.08.A to read as follows:

- B. Owner has obtained all the required MPCA permits associated with the sludge landfill.

**SC-7.10 Laws and Regulations**

Add new paragraphs immediately after Paragraph 7.10.C which are to read as follows:

- D. Contractor shall specifically comply with Equal Opportunity Requirements as listed in Minnesota Rules 5000.3535, Standard State Equal Employment Opportunity Construction Contract Specifications.
- E. Contractor shall specifically comply with Minnesota Rules 5000.3550, Disabled Individuals Affirmative Action Clause.

**SC-12.01 Claims**

Amend the first sentence of Paragraph 12.01.B to read as follows:

- B. *Submittal of Claim:* The party submitting a Claim shall deliver it directly to the other party to the Contract promptly (but in no event later than 10 days) after the start of the event giving rise thereto; in the case of appeals regarding Change Proposals within 10 days of the decision under appeal.

**SC-13.03 Unit Price Work**

Delete Paragraph 13.03.E in its entirety and insert the following in its place:

- E. The unit price of an item of Unit Price Work shall not be subject to re-evaluation and adjustment under any conditions.

**SC-15.01.B Applications for Payments**

Amend Paragraph 15.01.B.3 to read as follows:

- 3. The amount of retainage with respect to progress payments will be as stipulated in the Agreement and as follows:

Minnesota Contractors:	5 percent
Exempt Non-Minnesota Contractors:	5 percent
Non-Exempt Non-Minnesota Contractors:	5 percent plus 8 percent* = 13 percent

\*State Surety Deposit

Non-Minnesota Contractors are advised to file Form SD-3 with the Minnesota Department of Revenue to determine their exemption status.

**SC-15.01.C Review of Applications**

Delete Paragraph 15.01.C.1 in its entirety and insert the following:

- 1. Engineer will, within 21 days after receipt of each Application for Payment, either indicate in writing a recommendation of payment and present the Application to Owner or return the Application to Contractor indicating in writing Engineer's reasons for refusing to recommend payment. In the latter case, Contractor may make the necessary corrections and resubmit the Application.

**SC-15.05 Final Inspection**

Add the following language after the second sentence of Paragraph 15.05.A:

If, after such measures are taken, subsequent inspections by Engineer reveal that any of the previously identified particulars remain incomplete or defective, Engineer will again notify Contractor in writing of the remaining particulars. All costs associated with any subsequent inspections in which said remaining particulars are revealed, will be documented by Engineer and paid by Contractor to Owner.

**SC-15.06.A Application for Payment**

Add the following new paragraph immediately after Paragraph 15.06.A.3:

4. Before final application for payment is made for the work, Contractor must make satisfactory showing of compliance with M.S.A. §290.92 which requires the withholding of state income taxes for wages paid employees on this project. Submittal of Certificate of Compliance from the Commissioner of Taxation to the Owner will satisfy this requirement. Contractor is advised that before such certificate can be issued, he must first place on file with the Commissioner of Taxation an affidavit that he has complied with the provisions of M.S.A. §290.92. The required affidavit form will be supplied by the Minnesota Commissioner of Taxation on request.

**CLOSEOUT PROCEDURES****PART 1 GENERAL****1.01 SUMMARY**

- A. Administrative and procedural requirements for contract closeout, including:
1. Submittals.
  2. Record document submittals.

**1.02 SUBSTANTIAL COMPLETION**

- A. Complete the following before requesting Engineer's inspection for certification of Substantial Completion for each phase of work. List items that are incomplete in request.
1. Prepare a list of items to be completed and corrected (punch list), the value of items on the list, and reasons why the Work is not complete.
  2. Obtain, submit releases enabling Owner unrestricted use of the Work and access to services and utilities.
  3. Regulatory requirements:
    - a. Where required, obtain occupancy permits, operating certificates, similar releases.
  4. Bonding and insurance:
    - a. Consent of Surety to Reduction In or Partial Release of Retainage.
- B. Inspection Procedures:
1. When prerequisites are complete, submit request in writing to Engineer stating that all requirements are satisfied, and requesting inspection.
  2. Upon receipt of Contractor's request for inspection, Engineer will either proceed with inspection or advise Contractor of unfilled prerequisites.
  3. Following initial inspection, Engineer will either prepare Certificate of Substantial Completion, or advise Contractor of work which must be performed before certificate will be issued. Engineer will repeat inspection when requested and when assured that work has been substantially completed.
  4. Results of completed inspection will form the basis of requirements for Final Acceptance.

**1.03 FINAL ACCEPTANCE**

- A. Before requesting final inspection for determining date of Final Completion, complete the following:
1. Submittals:
    - a. Assurance that unsettled claims will be settled.
    - b. Proof that fees and similar obligations have been paid.
    - c. Evidence of final, continuing insurance coverage complying with insurance requirements.
    - d. Form IC-134, Affidavit for Obtaining Final Settlement of Contract with State of Minnesota and any of its Political or Governmental Subdivisions.
    - e. Notarized certification of compliance with wage rate requirements.
    - f. Certified copy of Engineer's final punch list of itemized work to be completed or corrected, stating that each item has been completed or otherwise resolved for acceptance and has been endorsed and dated by Engineer.
- B. Record Drawings: Submit to Engineer a set of record prints marked to show "as-built" conditions for work of contract, if requested.
- C. Adjusting:
1. Complete final cleaning requirements.

D. Final Payment Request:

1. Include certificates of insurance for products and completed operations where required.
2. Updated final statement, accounting for final additional changes to Contract Sum.
3. Final liquidated damages settlement statement, acceptable to Owner.

**PART 2 PRODUCTS**

Not Used

**PART 3 EXECUTION**

Not Used

**END OF SECTION**

## SECTION 02 12 00

### SLUDGE PLACEMENT

#### PART 1 GENERAL

##### 1.01 SUMMARY

- A. Section Includes:
  - 1. Placement of sludge within the permitted areas, Expansion Areas 5, 6, 7 and 8.
- B. Method of Measurement:
  - 1. Sludge Material:
    - a. Volume of sludge material will be determined on an Owner truck count basis using a cubic yard measurement as the method for determining volume.
    - b. Contractor shall verify sludge volume measurements with the Owner on a weekly schedule.
- C. Basis of Payment:
  - 1. Payment for sludge placement will be on a per cubic yard basis at the unit price bid. All necessary labor and equipment required to perform the contract shall be included in the unit price bid.
  - 2. Owner does not guarantee nor provide assurances of any specified volume of sludge to be placed during the life of this contract. Placement of sludge is anticipated to be 45,000 cubic yards for the length of the contract.

#### PART 2 PRODUCTS

##### 2.01 EQUIPMENT

- A. Contractor shall have an adequate piece of machinery available to the Owner 24 hours a day 365 days per year so that Owner can use the machine to dislodge tandem axle vehicles from sludge work areas when vehicles get stuck. Owner's use of machinery is incidental to sludge placement.
- B. Machinery used for placement of sludge must be equal to or larger than a Caterpillar D4 bulldozer. The machinery must be a low-ground-pressure bulldozer.
- C. If Contractor's machinery becomes disabled, a replacement piece of machinery must be on site and operable within a period of four hours.

#### PART 3 EXECUTION

##### 3.01 EXECUTION REQUIREMENTS

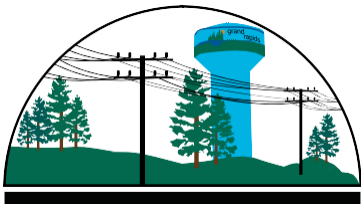
- A. The material at the sludge landfill is very unique. Contractor must submit one reference with bid detailing previous experience. Reference for is included under Document 00 44 14 - Project References.
- B. Frequency and location of sludge placement will be determined by Owner. As the sludge cells fill, the Contractor shall place sludge according to grade stakes provided by the Owner. The Contractor may be

required to place sludge seven days a week and fifty two weeks per year. There shall be no additional cost to Owner for shaping of slopes or for placement to grade stakes. It is the intent of the Owner that all placement of sludge be by bulldozer and will be covered by the unit price bid.

- C. Compaction of sludge shall be achieved by operating the bulldozer with three to five passes up and down the sludge placement area. The Owner reserves the right to determine by visual methods when the sludge has been adequately compacted.
- D. Equipment operators provided by Contractor must be certified by the Minnesota Pollution Control Agency as a Type III Waste Disposal Facility Operator. Contractor shall provide certification documentation to the Owner.
- E. The GRPU landfill accepts wood/ash and solids from sewer cleaning as allowed in the MPCA permit. When any of these materials are placed in the landfill, six inches of compacted sludge must be used to cover the material by the end of the day it is placed. This is a requirement in the MPCA permit.
- F. Contractor is responsible to maintain the integrity of the landfill facilities, including but not limited to cell liners, monitoring wells, leachate sump lines, etc. Any damage caused by Contractor shall be repaired by Contractor at no cost to the Owner.
- G. In sludge placement areas all snow and ice shall be removed by the Contractor prior to placement of sludge. This work is incidental to sludge placement.
- H. Work shall be done in accordance with Federal Aviation Administration rules and regulations.

**END OF SECTION**





**GRAND RAPIDS  
PUBLIC UTILITIES**

*Service is Our Nature*

500 SE Fourth Street • Grand Rapids, Minnesota 55744

## **SAFETY REPORT December 2023 Commission Meeting**

### **Safety Topic Last Month**

GRPD trained most staff on safety and security on November 28. Safety Brad conducted training bloodborne pathogens and slips, trips & falls for all employees on November 29th.

### **Safety Topic This Month**

Safety Brad will be training all employees on OSHA TOP 10, year-end review & winter weather on December 13.

### **Incidents Reported last Month by Department**

Administration: None                      Electric: None  
Business Services: None                  Water-Wastewater: None

### **Cumulative Incidents for 2023**

Recordable Incidents	1
Lost Time Days 2023	0
Restricted Days 2023	0
First Aid Only (not recordable)	0

Total FROI      1

### **Recordable Incident 5-year History**

	2019	2020	2021	2022	2023
ADMIN	0	0	0	0	0
BUS SVCS	4	0	0	0	1
ELEC	1	0	0	0	0
W-WW	5	3	1	0	0
<b>TOTAL</b>	<b>10</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>1</b>



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

**AGENDA DATE:** December 13, 2023

**AGENDA ITEM:** Consider a motion to approve the Information Systems Analyst (Systems Emphasis) and Information Systems Manager job descriptions and authorize the internal posting, and external advertisement, if needed.

**PREPARED BY:** Chery Pierzina, Human Resources Officer.

### **BACKGROUND:**

As part of our continued effort to collaborate and save costs, Grand Rapids Public Utilities (GRPU) and the City of Grand Rapids have been discussing forming a shared Information Systems (IS) Department for the past several months. The newly-formed IS Department will provide services to both the GRPU and the City of Grand Rapids. General Manager Julie Kennedy provided background information on this collaboration during her May 10, 2023 Department Head presentation to the GRPUC and the first position for this Department was posted in mid-November.

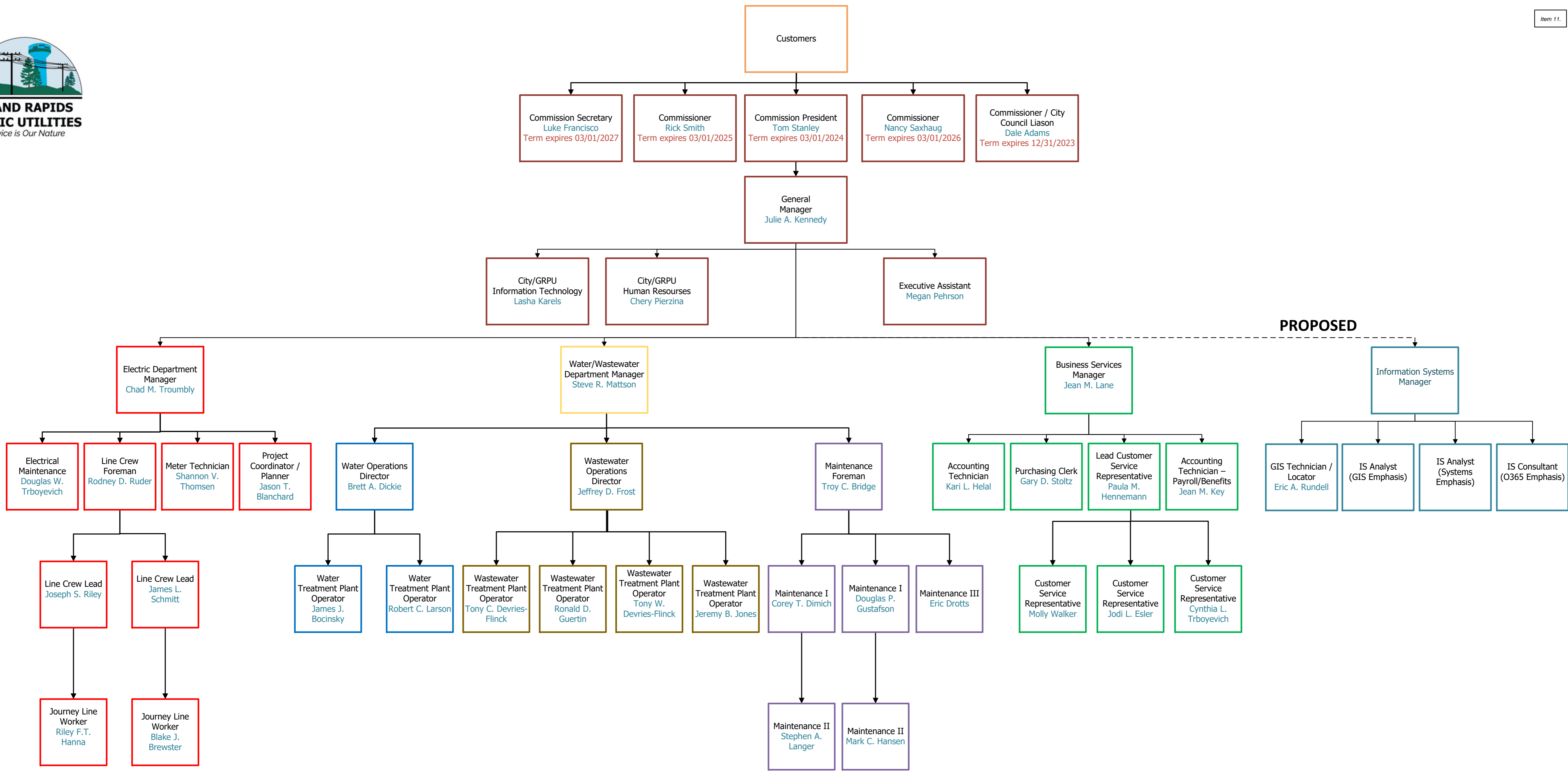
The shared services model for an IS Department does not create new positions for either agency, but rather brings together employees working in IS that are currently under separate departments. Having one department for these employees will help better manage the multiple projects going on at the two agencies.

The IS Department is co-funded by GRPU and the City, similar to the shared funding of Human Resources and IT staff. Whereas Human Resources and IT employees are City employees, the IS Department will fall under the GRPU organizational chart and GRPU will act as the employer for the positions within the IS Department. See the attached proposed organizational chart. The costs associated with the formation of the new IS Department have been included in the proposed 2024 budget.

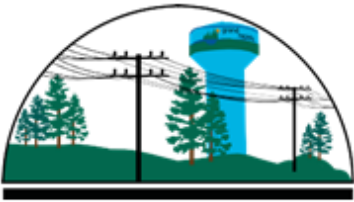
The IS Systems Analyst (GIS Emphasis) position was posted in mid-November. This evening, we are requesting approval of two job descriptions for the IS Systems Analyst (Systems Emphasis) position and Information Systems Manager position and posting of said positions. The job description and internal notice of vacancy for both of these positions are included in your packet for review.

**RECOMMENDATION:**

Approve the Information System Analyst (Systems Emphasis) and Information Systems Manager job descriptions and authorize the internal posting, and external advertisement, if needed.



PROPOSED



**GRAND RAPIDS  
PUBLIC UTILITIES**

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500 SE Fourth Street • Grand Rapids, Minnesota 55744

**POSITION TITLE:** Information Systems Manager

**DEPARTMENT:** Information Systems

**FLSA STATUS:** Exempt

**DATE:** December 2023

**ACCOUNTABLE TO:** General Manager

**Primary Objective of Position**

This position has broad authority as the recognized information systems expert and is responsible for overseeing all aspects of the Information Systems Department for Grand Rapids Public Utility and the City of Grand Rapids. This position is under limited supervision and requires the application of professional skills on a daily basis.

**Major Areas of Accountability and Job Duties:**

Manage the Information Services (IS) Department of the Utility and the City of Grand Rapids, including but not limited to, supervising IS personnel, the design of system architecture and structure, in order to maintain a high level of productivity and unity among the employees and organization(s).

Plan, organize, and direct the processes, integrations and procedures that enable the effective use of data to support business processes and decision-making. Defines the scope and tasks of project activities. Ensures that all IS applications, hardware, and software in GRPUC, and the City of Grand Rapids are secure and effective.

Act as the bridge between technology and people within both GRPUC and the City of Grand Rapids.

Act as the Project Manager or lead, to other technical specialists, on IS systems and IS projects of the greatest scope and complexity.

Develop and present planning reports necessary for decision-making and long-range organizational planning, including operational and capital budgets. Assists in development of budgets, the formulation and organization of information systems, and systems training programs.

Analyze utility industry key indicators together with the Utility's and the City's strengths and weaknesses and propose corrective actions.

Manages communication with customers and businesses; applies sound supervisory principles and techniques in building and maintaining an effective workforce and fulfills equal employment opportunity responsibilities.

Provide leadership and support to other department managers, including working with them to analyze various IS programs to ensure their efficient and effective administration.

Understand and comply with all workplace safety practices.

Perform other information systems related or administrative duties in support of the City and Utility that may be deemed necessary.

**Minimum Qualifications:**

Bachelor's degree in geography, geographic information systems, management information systems, information technology, or related field and extensive experience working in geography with geographic systems, or an equivalent combination of education and experience sufficient to successfully perform the essential duties of the job.

Five (5) years of responsible leadership experience in a management or supervisory position.

GIS certificate.

Considerable knowledge of internal control procedures, management information systems, and computerized financial applications.

Demonstrated professional level oral and written communication skills.

Ability to establish and maintain effective working relationships with employees, the City of Grand Rapids officials, and Utility officials.

Strong interpersonal skills including tact, diplomacy, and flexibility in order to establish and maintain cooperative working relationships with outside vendors, other public entities, and other employees.

Strong sense of honesty, integrity, and credibility and the ability to use independent and discretionary judgement and manage confidential information.

Availability to work the Utility's normal office hours throughout the regular workweek, as well as possible evenings, weekends, and holidays, if required.

**Preferred Qualifications:**

Knowledge of current technologies for computerized systems, network architecture, hardware, and software applications.

Experience in customer service and support and awareness of industry's latest trends and applications.

Experience with map projections and coordinate systems including their transformation and use in relating objects to one another.

Experience with asset management systems, work order management systems, website design, Cityworks, Laserfiche, ArcGIS Suite of products, Crystal Reports, SQL Server Management Studio and a basic understanding of SQL Server Database infrastructure.

Experience with the following programming languages to include, but not limited to, Arcade, SQL, Python, CSS, HTML, and JAVA.

Proficient with Microsoft Suite of products to include, but not limited to, Word, Excel, PowerPoint, Outlook, Teams, SharePoint.

Familiarity with the basic understanding of engineering and public utilities infrastructure such as electrical distribution, water distribution, sanitary sewer collection, and storm water collection.

Ability to think logically, analyze, and interpret problems relating to system design, implementation, and implement solution.

Ability to work within a group setting, take direction from other departments by request, and prioritize assigned projects with new requests.

Excellent written and oral communication skills along with skill in managing multiple projects.

### **Tools and Equipment Used:**

Computers, related software, and peripheral equipment such as mobile devices.

### **Physical Demands / Work Environment:**

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations will be made to enable individuals with disabilities to perform the essential job functions.

While performing the duties of this job, the employee is frequently required to walk, sit, talk, and hear. The employee is frequently required to use hands to handle objects, tools, or controls and reach with hands and arms. The employee is occasionally required to climb, balance, stoop, kneel, crouch, or crawl. While performing the duties of this job, the employee occasionally works in outside weather conditions and is occasionally exposed to heat, wet and/or humid conditions, and uneven terrain.

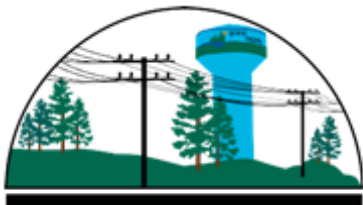
The employee must occasionally move up to 25 pounds. Specific vision abilities required by this job include close vision, peripheral vision, color vision, depth perception, and the ability to adjust focus.

The noise level in the work environment is usually moderately quiet.

*The duties listed above are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from this position if the work is similar or related to, or a logical extension of the position.*

*This job description does not constitute an employment contract between the employer and employee. This job description is subject to change by the employer as the needs of the employer and requirements of the job change.*

Commission Approved Date: \_\_\_\_\_



GRAND RAPIDS  
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Item 11.

500 SE Fourth Street • Grand Rapids, Minnesota 55744

**POSITION TITLE:** Information Systems Analyst (Systems Emphasis)

**DEPARTMENT:** Information Systems (IS)

**FLSA STATUS:** Non-Exempt

**DATE:** December 2023

**ACCOUNTABLE TO:** Information Systems Manager

**Primary Objective of Position:**

Under general supervision, this position is responsible for providing skilled, non-routine advanced technical services in electronic data processing to support program and/or administrative goals and objectives by operating computers and peripheral equipment, monitoring/directing information systems operations for complex jobs and inspecting systems output for quality and completeness.

**Major Areas of Accountability and Job Duties:**

Electronic data processing and administration for the City of Grand Rapids and Grand Rapids Public Utilities Information Systems (IS) to include, but not limited to, management, maintenance, and advancement of IS and applications. Work directly with department heads, managers, and coworkers to develop improved workflow solutions, training, and procedural manuals. Provide training and support to staff for IS-related applications. Assist with management of user groups and roles.

Database administration to include, but not limited to, asset management, permitting, work order processing, OMS, AMI, utility locate ticket management, ERP software, and records retention. Provide support utilizing programming languages to include, but not limited to, JavaScript, CSS, HTML, SQL, Arcade, and Python.

Provide support by generating software related reports and reporting.

Present technical documentation, information and proposals.

Provide exceptional customer service to fellow employees, customers, and contractors and make decisions that are always in the best interest of the Utility and City.

Understand and comply with all workplace safety practices.



Performs other information systems related or administrative duties in support of the City and Utility that may be deemed necessary.

**Minimum Qualifications:**

A 2-year Associates degree in Geography and Geographic Information Systems (GIS), Management Information Systems (MIS), or Information Technology (IT) related coursework. An equivalent combination of education and related experience may be considered.

High school graduate or possess a GED equivalent.

Valid Class D driver's license in the State of Minnesota, or the ability to obtain upon hire.

**Preferred Qualifications:**

Experience with asset management systems, work order management systems, website design, Cityworks, Laserfiche, ArcGIS Suite of products, Crystal Reports, SQL Server Management Studio and a basic understanding of SQL Server Database infrastructure.

Experience with the following programming languages to include, but not limited to, Arcade, SQL, Python, CSS, HTML, and JAVA.

Proficient with Microsoft Suite of products to include, but not limited to, Word, Excel, PowerPoint, Outlook, Teams, SharePoint.

Familiarity with the basic understanding of engineering and public utilities infrastructure such as electrical distribution, water distribution, sanitary sewer collection, and storm water collection.

Ability to think logically, analyze, and interpret problems relating to system design, implementation, and implement solution.

Ability to work within a group setting, take direction from other departments by request, and prioritize assigned projects with new requests.

Excellent written and oral communication skills along with skill in managing multiple projects.

**Tools and Equipment Used:**

Computers and peripheral equipment such as mobile devices.

**Physical Demands/Work Environment:**

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations will be made to enable individuals with disabilities to perform the essential job functions.

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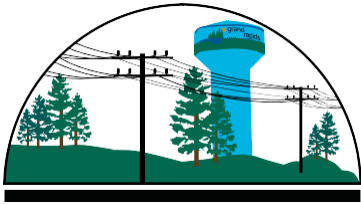
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Commission Approved Date: \_\_\_\_\_



GRAND RAPIDS  
PUBLIC UTILITIES

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Item 12.

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## ADMINISTRATION DEPARTMENT MONTHLY REPORT December 2023 Commission Meeting

### **GRPU Office Closure**

- GRPU offices will be closed on December 25, 2023, in observance of the Christmas holiday
- GRPU offices will be closed on January 1, 2024, in observance of the New Year's Day holiday

### **Human Resources**

- Continued work on the Classification/Compensation Study, anticipated completion now January
- Information Systems (IS) Department development and vacancy posting/advertising
- 2024 Q4 all-employee meeting on December 12, 2023
- The General Manager employment contract ends December 31, 2023. A new contract will be drafted and considered for approval once the classification/compensation study is completed.

### **Labor Negotiations**

- Initial labor negotiations meeting to exchange topics of interest occurred on December 7, 2023
- Also discussed was the current labor contract which ends December 31, 2023. Both parties agreed at the December 7 meeting to continue under the existing contract until the classification/compensation study is completed and economic proposals can be exchanged, and negotiations can begin.

### **Community Involvement**

- Participated in Beneficial Electrification Leadership Summit on December 6, 2023

### **Governance**

- Draft Strategic & Operational Plan Review (Commission work session) - Wed, Dec 13 – 2:30 PM
- Strategic, Operational Plan, & Scorecard Implementation (staff meeting) - Thu, Dec 14 – 9:00 AM
- Joint City Council & GRPU Commissioner meeting – follow-up meeting to be scheduled for April 2024



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** December 13, 2023

**AGENDA ITEM:** Consider a motion to adopt resolution 12-13-23-16 approving the 2024 Operations and Capital Budgets.

**PREPARED BY:** Jean Lane, Business Services Manager

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## **BACKGROUND:**

Attached please find the 2024 final operations and capital budgets for GRPU.

The information is separated into summary and detail format via separate PDF's. I will be referencing the summary of financial information, yet please feel free to review the detail financial information.

A draft of the 2024 operations and capital budgets was presented and reviewed at the November 22 work session.

## **RECOMMENDATION:**

Consider a motion to adopt resolution 12-13-23-16 approving the 2024 Operations and Capital Budgets.

**GRAND RAPIDS PUBLIC UTILITIES COMMISSION**

**RESOLUTION NO. 12-13-23-16**

**APPROVE THE 2024 OPERATIONS AND CAPITAL BUDGETS**

WHEREAS, the Grand Rapids Public Utilities (GRPU) per the adopted Budget and Financial Planning Policy 3.3.001 will review and approve a financial plan and budget that supports the strategic plan and provides credible projections of expenses and revenues, and

WHEREAS, per policy 3.3.001 each enterprise fund service activities will be self-supporting to the greatest extent possible for user charges/fees; and

WHEREAS, per policy 3.3.001 the financial and budget plan should include revenue requirements with proposed planned rate adjustments based on each utility cost of service/rate study; and

WHEREAS, the draft 2024 operations and capital budgets were presented at the November 22, 2023 Commission meeting,

NOW, THEREFORE BE IT RESOLVED THAT the Grand Rapids Public Utilities Commission has reviewed and approves the 2024 GRPU operations and capital budgets as presented.

Adopted this 13th day of December, 2023.

\_\_\_\_\_  
President

Witness:

\_\_\_\_\_  
Commissioner



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION

## 2024 OPERATIONS & CAPITAL BUDGET

The preparation of the GRPU 2024 operations and capital budgets was a team approach. The managers, directors, and key team positions were involved in budget preparation discussions and on-going actual versus budget discussions in 2023, which will continue into 2024. The 2024 budget was developed using the Budget and Financial Planning Policy 3.3.001.

The 2024 operations and capital budgets include reliable projections of operations and capital expenses and revenue requirements with proposed planned rate adjustments based on each utility cost of service/rate study.

The electric and wastewater collection utilities are showing a net income in the 2024 operating budget, while water displays a net loss per the 2024 Budget Summary worksheet. Wastewater treatment revenue is collected from GRPU major customer (UPM-Blandin) and equals the operation expenses, except for depreciation. Depreciation is a required under GAAP and considered a book-entry which has no effect on the operating cash flow.

Rate increases as proposed in each utility cost of service/rate study has been included in the budgeted revenues for 2024; including, no increase for electric rates, increase in the purchase power rate, 10% increase for water rates, and 5% increase for domestic wastewater rates.

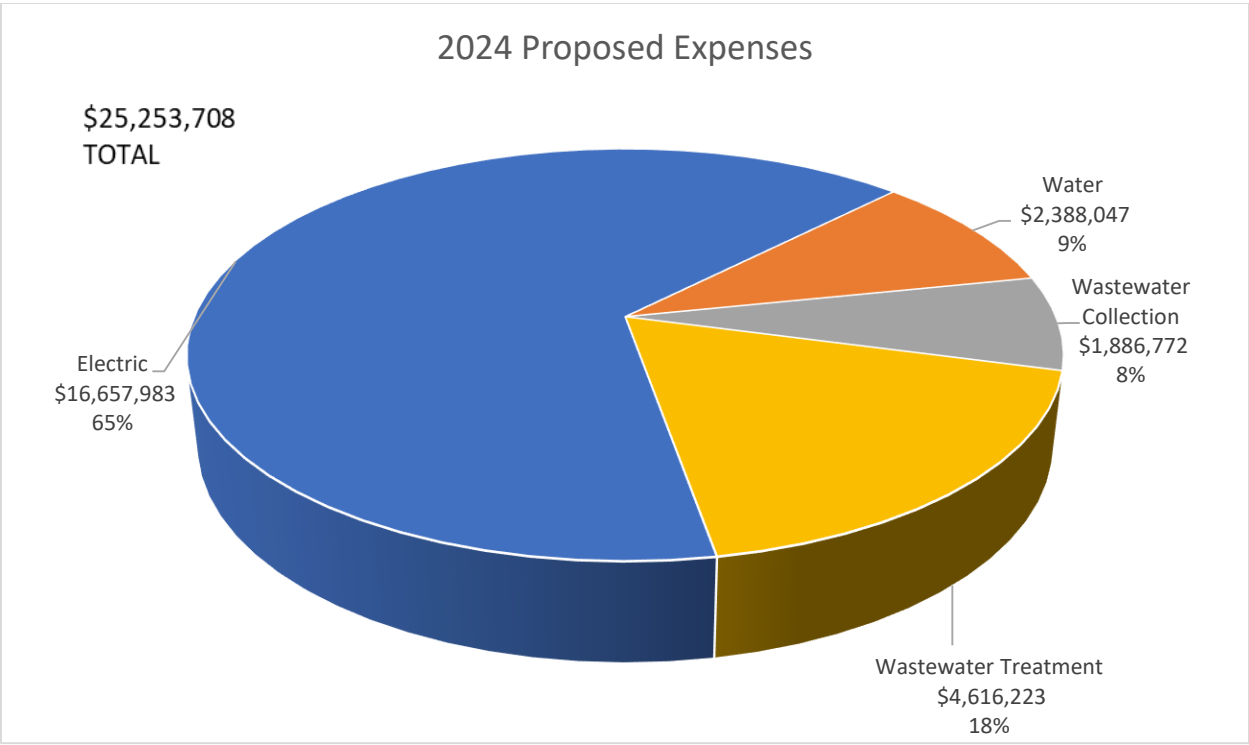
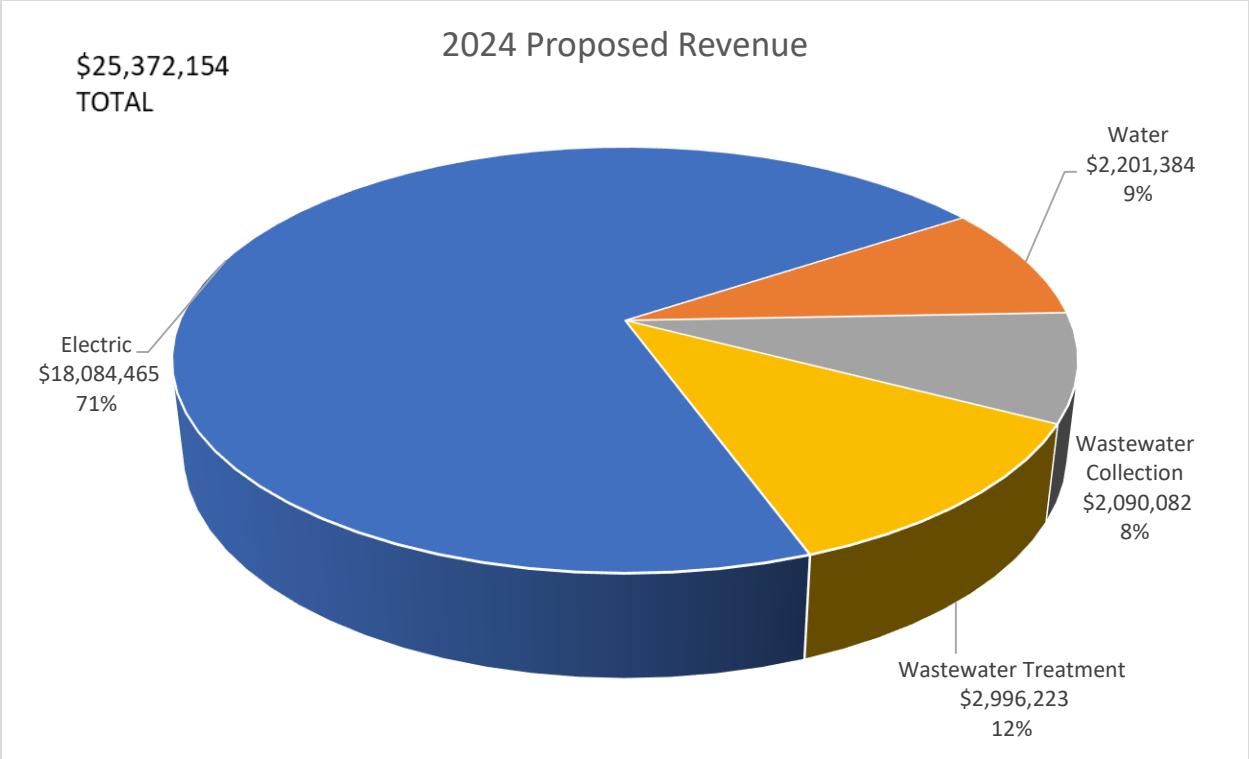
Operating expenses include known costs; for example, average insurance increases of 5%, some labor contract increases, bond interest and PILOT payments. There are some one-time expenses which are included in the 2024 expense budget: including, consulting services for ERP implementation, and preventative maintenance repairs on utility operating equipment, and engineering consulting services for domestic wastewater collection.

The 2024 Expenses by Category pie chart illustrates GRPU three largest cost categories are: (1) purchased power at \$11.2 million, (2) production at \$4.3 million, and (3) distribution at \$2.1 million.

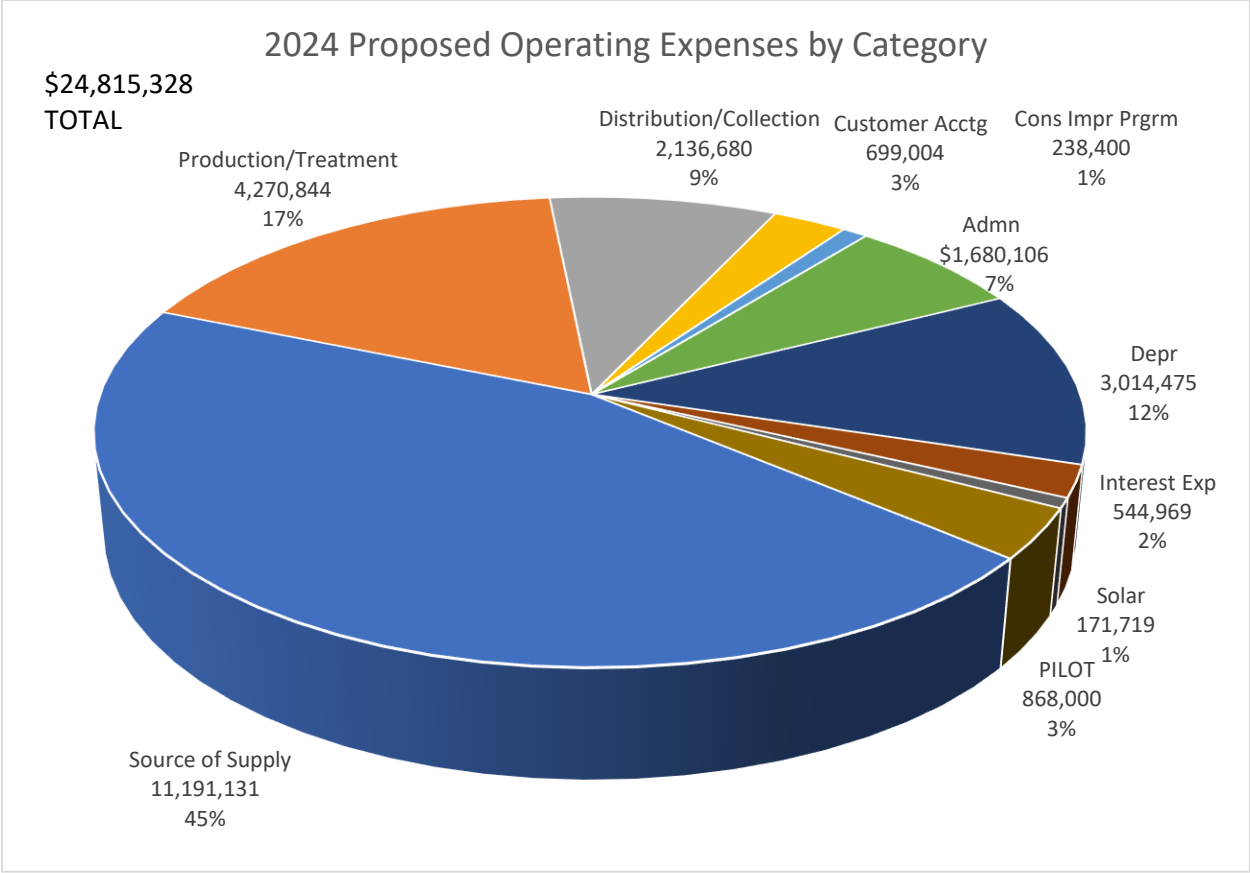
The proposed capital purchases/projects for 2024 are \$13.9 million per the Capital Plan 2024 through 2028 Department Summary report. The water utility has 2024 capital proposed at \$5.8 million, domestic wastewater collection at \$1.8 million, and wastewater treatment at \$2.7 million. Capital purchases/projects of \$38.9 million are proposed over the next five years.

**Grand Rapids Public Utilities  
2024 Budget Summary  
12/13/2023**

	Electric	Water	Wastewater Collection	Wastewater Treatment	Total
<b>REVENUES:</b>					
Operating	\$ 17,630,920	\$ 2,175,524	\$ 2,084,582	\$ 2,657,460	\$ 24,548,486
Other	429,545	24,360	5,500		459,405
<b>TOTAL REVENUES</b>	<b>18,060,465</b>	<b>2,199,884</b>	<b>2,090,082</b>	<b>2,657,460</b>	<b>25,007,891</b>
<b>EXPENSES:</b>					
Source of Supply	11,191,131	0	0	0	11,191,131
Production/Treatment	0	1,076,252	551,700	2,642,892	4,270,844
Distribution/Collection	1,316,108	327,540	493,032	0	2,136,680
Customer Accounting	474,304	126,500	98,200	0	699,004
Conservation Improvement Program	238,400	0	0	0	238,400
Administrative	981,766	393,183	305,157	0	1,680,106
Depreciation and Other	922,005	236,939	235,531	1,620,000	3,014,475
Interest Expense & Bond Fees on debt issuanc	20,900	96,151	89,155	338,763	544,969
Other - Solar	171,719	0	0	0	171,719
PILOT City of Grand Rapids:	868,000	0	0	0	868,000
<b>TOTAL EXPENSES</b>	<b>16,184,333</b>	<b>2,256,565</b>	<b>1,772,775</b>	<b>4,601,655</b>	<b>24,815,328</b>
<b>NET INCOME BEFORE OTHER INC AND EXP</b>	<b>\$ 1,876,132</b>	<b>\$ (56,681)</b>	<b>\$ 317,307</b>	<b>\$ (1,944,195)</b>	<b>\$ 192,563</b>
<b>OTHER REVENUES:</b>					
Interest or Demand Payments for Interest	24,000	1,500	0	338,763	364,263
Penalties	0	0	0	0	0
Lease Revenues	0	0	0	0	0
<b>TOTAL OTHER REVENUES</b>	<b>24,000</b>	<b>1,500</b>	<b>0</b>	<b>338,763</b>	<b>364,263</b>
<b>OTHER EXPENSES:</b>					
Combined Service Center	173,500	48,602	38,187	0	194,201
Human Resources	22,500	6,300	5,000	0	19,569
Information Systems	148,650	40,390	37,678	0	11,720
Information Technology	129,000	36,190	33,132	14,568	212,890
<b>TOTAL OTHER EXPENSES</b>	<b>473,650</b>	<b>131,482</b>	<b>113,997</b>	<b>14,568</b>	<b>438,380</b>
<b>NET INCOME (LOSS)</b>	<b>\$ 1,426,482</b>	<b>\$ (186,663)</b>	<b>\$ 203,310</b>	<b>\$ (1,620,000)</b>	<b>\$ 118,446</b>
<b>ADD:</b>					
Depreciation and Amortization	922,005	236,939	235,531	1,620,000	3,014,475
Miscellaneous Depreciation and Amortization	160,440	26,997	26,997	0	214,434
<b>NET OPERATING CASH FLOW</b>	<b>\$ 2,508,927</b>	<b>\$ 77,273</b>	<b>\$ 465,838</b>	<b>\$ -</b>	<b>\$ 3,347,355</b>







GRAND RAPIDS PUBLIC UTILITIES  
Operating Budget - Electric  
For the Twelve Months Ending Sunday, December 31, 2023

Item 13.

	2020	2021	2022	2023	2023	2024
	Actual	Actual	Actual	YTD Sept	Forecast	Budget
<b>ELECTRIC DEPARTMENT</b>						
<b>OPERATING REVENUES</b>						
City Residential Sales	\$4,035,745.59	\$4,217,360.88	\$4,236,045.14	\$3,222,217.40	\$4,182,748.48	\$4,215,560.12
City Commercial Sales	2,531,212.47	2,627,386.82	2,712,751.42	2,104,751.00	\$2,761,079.21	2,794,183.38
City Commercial Sales - EVC Sales	118.80	1,162.06	1,980.25	1,979.68	\$2,645.24	2,434.31
Rural Residential Sales	1,075,240.88	1,114,473.18	1,106,387.45	849,776.43	\$1,110,658.00	1,118,202.02
Rural Commercial Sales	338,026.47	390,675.11	404,392.54	297,570.75	\$391,744.75	399,164.39
City Demand and Energy	4,959,822.67	5,236,998.57	5,492,996.39	4,312,531.73	\$5,765,684.95	5,671,652.70
Rural Demand and Energy	210,819.50	225,393.99	225,901.25	183,907.52	\$248,221.68	236,286.65
City Industrial Sales	1,296,016.81	1,466,929.23	1,695,378.70	1,064,100.17	\$1,395,854.70	1,510,576.84
City Load Management Sales	194,592.27	173,993.85	193,123.38	137,467.78	\$185,861.40	205,300.72
Rural Load Management Sales	121,627.52	109,684.15	126,232.84	84,333.02	\$118,421.51	126,114.91
<b>TOTAL RETAIL SALES</b>	<b>14,763,222.98</b>	<b>15,564,057.84</b>	<b>16,195,189.36</b>	<b>12,258,635.48</b>	<b>16,162,919.93</b>	<b>16,279,476.04</b>
ADD: Purchased Power Adjustment Passt	400,952.76	2,401,455.03	2,557,891.12	975,068.34	1,316,448.92	1,351,443.51
<b>TOTAL ELECTRIC SALES</b>	<b>15,164,175.74</b>	<b>17,965,512.87</b>	<b>18,753,080.48</b>	<b>13,233,703.82</b>	<b>17,479,368.86</b>	<b>17,630,919.55</b>
<b>OTHER SERVICES</b>						
Windsense Program Sales						
City Security Lighting	34,835.41	35,951.81	25,548.89	17,194.82	21,472.41	23,155.07
Rural Security Lighting	25,239.87	25,615.88	18,542.45	13,107.42	16,965.51	17,590.42
Public Street and Highway Lighting						
<b>TOTAL OTHER SERVICES</b>	<b>60,075.28</b>	<b>61,567.69</b>	<b>44,091.34</b>	<b>30,302.24</b>	<b>38,437.92</b>	<b>40,745.49</b>
<b>OTHER REVENUES</b>						
Connection Fees	25,285.20	66,954.32	142,203.10	59,218.21	79,898.20	66,000.00
Reconnection Fees	360.00	4,980.00	2,160.00	7,030.00	10,461.82	12,000.00
Penalties on Delinquent Accounts	12,183.71	17,646.90	61,929.09	170,733.14	218,484.26	204,000.00
Pole Rentals	21,415.79	23,577.36	25,669.00	25,669.00	25,669.00	23,000.00
23 kV Capacity Lease	35,868.00	35,868.00	35,868.00	35,868.00	39,128.73	35,800.00
Merchandising and Jobbing (Net)	1,883.66	(225.57)	387.00	1,432.04	1,694.64	1,000.00
City of Grand Rapids Merch / Jobbing (N	1,329.44	359.85		347.76	233.67	1,000.00
Street Light Revenues (Net)	7,415.98	9,998.64	9,674.94	11,452.01	11,931.33	18,000.00
Equipment Rental Revenue						
Allowance for Funds Used During Construction						
Grant Revenue	10,065.28	84,329.00		20,826.38	22,719.69	10,000.00
Miscellaneous Income	26,830.05	94,633.96	198,649.25	27,926.76	35,458.15	30,000.00
<b>TOTAL OTHER REVENUES</b>	<b>142,637.11</b>	<b>338,122.46</b>	<b>476,540.38</b>	<b>334,834.30</b>	<b>420,010.48</b>	<b>388,800.00</b>
<b>TOTAL ELECTRIC REVENUES</b>	<b>15,366,888.13</b>	<b>18,365,203.02</b>	<b>19,273,712.20</b>	<b>13,598,840.36</b>	<b>17,937,817.26</b>	<b>18,060,465.04</b>

**ELECTRIC DEPARTMENT**

**EXPENSES**

Purchased Power	11,069,792.18	13,611,142.91	11,797,927.91	9,332,278.09	12,359,553.60	11,191,131.00
<b>OPERATING EXPENSES</b>						
Supervision and Engineering	89,308.13	88,820.02	92,403.30	78,113.82	102,205.99	717,000.00
Wages & Salaries - Full-time			318,006.17	277,685.55	346,715.24	12,000.00
Wages & Salaries - Temporary						12,000.00
Customer Service Engineer						
Substation Operations	5,579.90	6,334.46	7,262.67	4,223.26	5,572.45	6,108.00
MP Substation Operations				26.56	26.56	1,000.00
Overhead Lines	36,004.09	131,601.37	28,355.28	13,700.80	18,085.39	35,000.00
Underground Lines	55,104.11	231,225.03	65,120.16	46,410.40	56,035.74	65,000.00
Locating Expense	15,769.14	37,924.05	13,295.14	(2,148.11)	2,288.36	
Street Lighting		3,176.47				
Security Lighting		52.87	824.54	1,118.35	1,342.02	1,000.00
Meters	79,910.32	75,208.06	23,238.04	14,116.37	29,493.71	20,000.00
Customer Installations	13,129.34	22,802.35	3,111.95	3,725.00	4,746.00	15,000.00
Vehicle Maintenance						24,000.00
Vehicle Leases Plan						35,000.00
Mapping Expense	34,139.32	47,363.20	(2,903.62)	(24,428.93)	0.00	
Small Tools Expense	17,832.55	30,800.72	32,962.61	25,347.56	27,578.66	25,000.00
Safety Expense	29,395.61	30,612.66	22,912.13	18,985.26	22,893.31	30,000.00
Seminar/Training Expense	11,590.32	11,400.63	7,405.57	11,637.14	16,712.33	18,000.00
Uniforms Expense	7,124.31	12,680.59	12,790.97	3,730.78	4,885.88	10,000.00
Miscellaneous Meetings	29,531.50	40,837.53	608.35	150.00	150.00	

GRAND RAPIDS PUBLIC UTILITIES  
Operating Budget - Electric  
For the Twelve Months Ending Sunday, December 31, 2023

Item 13.

	2020	2021	2022	2023	2023	2024
	Actual	Actual	Actual	YTD Sept	Forecast	Budget
Rentals	3,026.70	3,381.21	3,264.79	5,321.78	5,321.78	5,000.00
Stores Expense (Labor)	55,826.21	98,587.21	49,259.28	35,979.69	46,448.71	
<b>TOTAL OPERATING EXPENSES</b>	<b>483,271.55</b>	<b>872,808.43</b>	<b>677,917.33</b>	<b>513,695.28</b>	<b>690,502.13</b>	<b>1,019,108.00</b>
<b>MAINTENANCE EXPENSES</b>						
Supervision and Engineering	89,127.73	88,779.54	92,403.00	74,908.31	98,709.02	
Crew Personnel			125,799.66	111,841.08	142,769.08	
Substation Structures	310.88					
Substation Maintenance	29,114.90	26,154.02	8,837.86	5,631.93	7,007.92	3,500.00
MPSubstation Maintenance	24,526.57	25,234.83	29,643.84	18,611.42	20,700.58	25,500.00
Maintenance of Load Management	1,366.42	1,120.00				6,000.00
Overhead Lines	115,832.74	118,101.29	89,751.04	26,020.39	31,147.67	67,000.00
Overhead Lines-Tree Trimming	58,944.17	64,555.39	100,382.93	146,096.46	188,795.59	162,000.00
Underground Lines	97,135.22	22,119.95	17,272.09	7,177.05	8,144.41	10,000.00
Underground Locates	1,053.36	139.31				
Line Transformers	777.64		60.00	2,170.80	2,170.80	15,000.00
Street Lighting	2,157.74					
Security Lighting	1,172.76	5,046.51	2,117.57	8,220.08	9,473.23	7,000.00
Meters	4,167.61	42,513.45	120.00	160.00	160.00	1,000.00
Miscellaneous Plant			24.65			
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>425,687.74</b>	<b>393,764.29</b>	<b>466,412.64</b>	<b>400,837.52</b>	<b>509,078.30</b>	<b>297,000.00</b>
<b>OTHER EXPENSES</b>						
Truck Expense - Operation		4,484.88	5,030.21	(15,046.75)	0.00	
Truck Expense - Maintenance						
Operation & Maintenance - Misc Equip						
<b>TOTAL OTHER EXPENSES</b>		<b>4,484.88</b>	<b>5,030.21</b>	<b>(15,046.75)</b>	<b>0.00</b>	

**ELECTRIC DEPARTMENT**

<b>CUSTOMER ACCOUNTING EXPENSES</b>						
Supervision	(13,007.83)	85,911.82	33,783.67	24,519.36	29,162.61	
Meter Reading	4,034.67	9,871.89	7,397.59	3,021.47	3,691.87	9,000.00
Customer Billing and Accounting	292,131.23	311,733.80	306,236.14	235,119.88	297,934.61	454,004.00
Collecting Expense	2,524.65	50.39	1,558.24	564.90	1,336.89	6,300.00
Uncollectible Accounts	12,273.82	28,450.14	127,829.99	1,555.54	25,548.83	5,000.00
Miscellaneous Expense			117.02	102.53	103.53	
Customer Service & Information Expense						
Miscellaneous Customer Information						
<b>TOTAL CUSTOMER ACCOUNTING EXP</b>	<b>297,956.54</b>	<b>436,018.04</b>	<b>476,922.65</b>	<b>264,883.68</b>	<b>357,778.34</b>	<b>474,304.00</b>
<b>CONSERVATION IMPROVEMENT PROGRAMS</b>						
Planning & Evaluation	28,101.84	14,554.29	13,598.34	10,387.25	12,438.53	14,000.00
Energy Star Appliance	4,027.40	14,797.24	18,434.96	9,474.75	13,718.27	14,000.00
Fluorescent LT Recycling	93.00		1,101.02			1,000.00
Resident/Low Income Conservation		3,820.99	23,860.63	6,055.65	7,121.43	7,500.00
Commerical Energy Audits	36,847.03	36,258.28	54,250.16	39,596.84	53,860.68	52,000.00
Commerical Industrial Power Grade	69,535.52	104,879.70	84,006.28	524.05	28,281.92	125,000.00
Load Mgmt Efficiency						2,000.00
Windsense - Admin Exp						
Education	12,356.00	12,004.00		195.00	195.00	10,000.00
Solar			2,900.00		5,000.00	12,900.00
<b>TOTAL CONSERVATION IMPROVEMEN</b>	<b>150,960.79</b>	<b>186,314.50</b>	<b>198,151.39</b>	<b>66,233.54</b>	<b>120,615.83</b>	<b>238,400.00</b>
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>						
Administrative & General Salaries	144,137.07	185,593.58	156,171.55	101,477.85	124,190.06	220,000.00
Commissioner Salaries	8,402.52	8,711.51	8,711.53	7,659.01	10,212.01	9,300.00
City Treasurer Salary	462.00	462.00	462.00			0
General Office Supplies and Phone	3,563.74	14,520.14	10,700.12	5,745.26	6,330.60	8,000.00
Telephone Expense	13,293.47	14,853.09	15,842.89	13,365.52	16,720.08	18,000.00
Accounting Outside Service	17,808.00	18,463.20	26,241.60	21,932.40	23,926.25	15,600.00
Data Processing Outside Service	55,390.69	64,628.68	75,889.63	65,165.33	75,959.76	
Legal Outside Services	9,442.79	11,517.12	5,371.39	3,078.79	3,892.89	12,000.00
Engineering Outside Service	38,875.00					0
Other - Outside Service	5,642.92	7,069.91	21,345.70	21,523.08	35,033.48	50,000.00
Fiber Optic Outside Service			0.03			0
Insurance - Fire	2,292.06	2,414.55	3,002.04	2,882.28	3,544.04	4,518.00
Insurance - Liability	26,951.61	26,984.46	28,925.64	23,042.49	28,067.80	33,054.00
Insurance - Worker's Compensation	25,343.00	26,125.00	31,410.99	24,925.33	30,105.09	33,672.00
Insurance - Worker's Comp Deductible						



GRAND RAPIDS PUBLIC UTILITIES  
Operating Budget - Electric  
For the Twelve Months Ending Sunday, December 31, 2023

Item 13.

	2020	2021	2022	2023	2023	2024
	Actual	Actual	Actual	YTD Sept	Forecast	Budget
Insurance - Auto	2,964.82	3,243.78	3,498.54	2,648.85	3,217.79	3,702.00
Insurance - Miscellaneous	1,104.67	1,320.18	817.71	2,958.33	3,694.87	5,280.00
Insurance Claims- Injuries & Damages			1,000.00	500.00	545.45	
Insurance - Group Health	321,475.80	242,071.46	227,780.77	189,210.58	230,923.18	171,000.00
Insurance - Group Health Co-insurance						
Insurance - Group Health HSA funding	38,691.00	66,220.00	62,485.40	51,077.51	62,164.10	30,864.00
Insurance - Group Life	2,396.91	2,395.31	2,515.88	1,998.55	2,418.02	2,844.00
Employee Assistance Programs						
Insurance - Group Dental	10,114.38	13,163.88	12,452.98	9,723.34	11,801.08	8,676.00
Third Party Administrative Cost	986.42	863.88	747.32	495.72	692.68	1,080.00
FICA						67,020.00
PERA	(45,111.00)	(107,211.00)	64,107.00			65,700.00
Deferred Compensation						26,280.00
Paid Time Off	192,499.38	215,649.06	208,133.26	145,943.59	209,292.04	
Extended Illness Benefit	9,630.76	10,845.34	1,587.58			
Short-Term Disability Payments						
Disability Insurance	9,555.40	10,413.02	10,849.33	10,232.61	14,999.73	13,476.00
Unemployment Compensation	6,660.00			6,632.10	6,632.10	12,000.00
Membership - APPA	9,419.47	9,605.74	11,023.98	11,447.35	11,447.35	10,000.00
Membership - NEMPA	2,000.00	4,000.00				
Membership - MMUA	30,426.00	30,426.00	30,249.00	30,711.00	30,711.00	31,000.00
Membership - NMMEA						
Membership - Other	1,883.89		1,921.15			2,000.00
Advertising/Promotions				176.11	176.11	9,500.00
Amortize Service Territory Costs	34,337.49	34,337.49	34,337.49			34,500.00
Amortize Service Territory Pymt & Economic Dev		38,410.40	37,211.73			37,500.00
Miscellaneous General Expense	36,514.42	8,067.29	73,225.97	39,664.07	47,485.73	12,000.00
Office Equip Rental & Maintenance	11,430.80	10,965.12	14,692.69	18,132.02	19,918.49	13,200.00
Maintenance of General Plant						
<b>TOTAL ADMINISTRATIVE AND GENERAL</b>	<b>1,028,585.48</b>	<b>976,130.19</b>	<b>1,182,712.89</b>	<b>812,349.07</b>	<b>1,014,101.80</b>	<b>981,766.00</b>
<b>OPERATING INCOME BEFORE DEPRE</b>	<b>1,910,633.85</b>	<b>1,884,539.78</b>	<b>4,468,637.18</b>	<b>2,223,609.93</b>	<b>2,886,187.26</b>	<b>3,858,756.04</b>
<b>LESS:</b>						
Depreciation	1,104,806.65	911,093.56	928,083.22	681,316.03	908,413.12	908,421.36
Amortization Computer Intangibles	3,085.00	4,338.17	13,583.81	9,845.82	13,070.76	13,584.00
<b>TOTAL OPERATING EXPENSES</b>	<b>14,564,145.93</b>	<b>17,396,094.97</b>	<b>15,746,742.05</b>	<b>12,066,392.28</b>	<b>15,973,113.87</b>	<b>15,123,714.36</b>
<b>NET OPERATING INCOME</b>	<b>802,742.20</b>	<b>969,108.05</b>	<b>3,526,970.15</b>	<b>1,532,448.08</b>	<b>1,964,703.39</b>	<b>2,936,750.68</b>
<b>OTHER INCOME</b>						
Extraordinary Income (Loss)						
Interest Income	30,744.54	15,677.09	34,242.81	31,505.35	37,220.84	24,000.00
Property Disposition Gain (Loss)			4,000.00			
Contributions - (Capital)						
Grant Revenues	10,065.28	84,329.00		20,826.38	20,826.38	
<b>TOTAL OTHER INCOME</b>	<b>40,809.82</b>	<b>100,006.09</b>	<b>38,242.81</b>	<b>52,331.73</b>	<b>58,047.22</b>	<b>24,000.00</b>
<b>OTHER EXPENSES</b>						
Payment in Lieu of Tax to City - cash	868,000.00	868,000.00	868,000.00	651,000.01	868,000.00	868,000.00
Payment in Lieu of Tax to City - Compos	3,855.67	5,287.26	1,423.47	504.00	0.00	
Payment in Lieu of Tax to City - Electric	1,681.10	9,001.34	954.33			
Payment in Lieu of Tax to City - W/S Dept						
Payment in Lieu of Tax - Other						
Amortization of Bond Issue Costs - 2021A GO Bonds		2,996.00	2,996.00			3,000.00
Interest Expense & Bond Fees - 2021A GO Revenue		1,731.11	2,270.86	548.26	1,382.07	1,100.00
Other Interest Expense	5,518.90	2,680.69	1,096.75	13,046.21	14,401.64	16,800.00
Solar Garden Expenses		393,640.13	4,402.44	2,856.42	2,856.42	171,719.00
Unusual & Extraordinary Expenses		54,331.00				
Combined Service Center Transfer-in						173,500.00
Human Resources Transfer-in						22,500.00
Information Systems Transfer-in						148,650.00
Information Technology Transfer-in						129,000.00
<b>TOTAL OTHER EXPENSES</b>	<b>879,055.67</b>	<b>1,337,667.53</b>	<b>881,143.85</b>	<b>667,954.90</b>	<b>886,640.13</b>	<b>1,534,269.00</b>
<b>ELECTRIC DEPARTMENT NET INCOME</b>	<b>(35,503.65)</b>	<b>(268,553.39)</b>	<b>2,684,069.11</b>	<b>916,824.91</b>	<b>1,136,110.47</b>	<b>1,426,481.68</b>

GRAND RAPIDS PUBLIC UTILITIES  
Operating Budget - Water  
For the Twelve Months Ending Sunday, December 31, 2023

Item 13.

	2020	2021	2022	2023	2023	2024
	Actual	Actual	Actual	YTD Sept	Forecast	Budget

WATER DEPARTMENT

OPERATING REVENUES

City Water Residential Sales	\$619,545.14	\$614,459.01	\$623,910.08	\$600,813.94	\$782,465.55	\$811,954.87
City Water Commercial Sales	524,541.82	596,505.19	548,349.93	594,798.23	790,084.88	785,411.46
City Multi-Family Sales	247,837.05	247,105.20	257,913.60	231,288.39	305,905.31	326,691.74
City Industrial Sales	98,082.08	102,991.90	100,336.18	70,979.09	97,093.33	104,357.99
City Industrial Sales - Internal	41,856.86	72,034.84	82,696.67	61,077.74	79,671.70	100,233.37
Rural Water Sales					0	
Public Authorities Water Sales	35,253.12	37,911.76	35,311.14	33,555.75	44,558.93	46,874.51
<b>TOTAL OPERATING REVENUES</b>	<b>1,567,116.07</b>	<b>1,671,007.90</b>	<b>1,648,517.60</b>	<b>1,592,513.14</b>	<b>2,099,779.70</b>	<b>2,175,523.94</b>

OTHER REVENUES

Service Connections	10,098.00	20,953.00	18,556.00	5,366.00	\$ 6,439.20	7,200.00
Permit Fees	1,000.00	1,680.00	1,240.00	(1,105.00)	0.00	1,260.00
Thawing Service	330.00	960.00	2,176.80	1,292.00	1,292.00	1,500.00
Water Shutoff Fees						
Merchandising and Jobbing (Net)	1,072.21	1,285.36	16,284.76	1,630.39	1,630.39	
City of Grand Rapids Jobbing (Net)				(73.74)	0.00	
City of LaPrairie Jobbing (Net)	3,212.20	2,436.79	(2,994.70)	(1,831.41)	0.00	
Equipment Rental Revenue						
Antenna Rental Revenue	190,903.66	194,340.65	193,180.43	9,223.86	9,223.86	
Miscellaneous Income	10,744.03	11,987.55	10,141.44	10,494.31	11,723.43	14,400.00
<b>TOTAL OTHER REVENUES</b>	<b>217,360.10</b>	<b>233,643.35</b>	<b>238,584.73</b>	<b>24,996.41</b>	<b>30,308.88</b>	<b>24,360.00</b>

<b>TOTAL WATER REVENUES</b>	<b>1,784,476.17</b>	<b>1,904,651.25</b>	<b>1,887,102.33</b>	<b>1,617,509.55</b>	<b>2,130,088.58</b>	<b>2,199,883.94</b>
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EXPENSES

PRODUCTION OPERATION EXPENSE

Supervision and Engineering						
Wages & Salaries - Full-time	127,170.16	127,657.13	132,143.95	100,165.35	132,420.11	609,702.00
Wages & Salaries - Full-time-Overtime	31,466.14	34,198.17	34,625.17	27,543.20	36,187.55	38,000.00
Wages & Salaries - Other						
Water Treatment Expense	111,014.18	114,018.32	126,008.19	123,190.48	163,452.67	171,080.00
Heating Fuel						
Station Supplies and Expenses	2,469.16	4,030.99	873.11	2,736.00	3,992.58	3,300.00
Permits and Fees	3,654.44	3,893.37	10,973.69	4,718.53	4,718.53	5,750.00
Miscellaneous Production Expense	12,450.36	18,325.99	6,611.40	4,453.65	7,202.71	2,000.00
Power Purchased	168,760.15	195,189.86	206,568.11	147,507.54	195,647.27	194,200.00
<b>TOTAL PRODUCTION OPERATION EX</b>	<b>456,984.59</b>	<b>497,313.83</b>	<b>517,803.62</b>	<b>410,314.75</b>	<b>543,621.42</b>	<b>1,024,032.00</b>

PRODUCTION MAINTENANCE EXPENSE

Supervision						
WTP Buildings and Grounds	6,761.18	17,851.36	14,812.77	18,144.10	20,719.37	11,040.00
WTP HVAC System		53.68	412.92	212.04	212.04	
Wellhouses	1,828.16	6,272.49	2,032.61	750.70	1,825.32	2,000.00
Wellhead Protection						
Wells, Pumps and Mains	4,181.30	8,081.25	3,603.18	4,410.41	4,746.71	2,400.00
Maintenance of WTP Equipment	62,364.13	51,510.34	77,474.55	56,909.54	61,744.34	35,580.00
Maintenance of SCADA System - WTP	6,954.36	8,182.58	2,130.32	1,362.55	1,362.55	1,200.00
Underground Clearwell				40.24	40.24	
Maintenance Inspections - WTP	4,629.79	2,381.05	1,612.32	509.28	509.28	
<b>TOTAL PRODUCTION MAINTENANCE</b>	<b>86,718.92</b>	<b>94,332.75</b>	<b>102,078.67</b>	<b>82,338.86</b>	<b>91,159.85</b>	<b>52,220.00</b>

DISTRIBUTION OPERATION EXPENSE

Supervision and Engineering	29,361.26	43,108.47	42,809.23	35,092.84	46,020.88	45,000.00
Records (Mapping-Meters-Valves)	10,527.28	1,274.81	3,887.30	574.87	574.87	3,000.00
Maintenance Inspections	6,325.36	11,358.97	7,166.90	4,235.20	5,131.67	
Thaw/Flush Hydrants, Mains, Services	4,931.67	8,053.86	22,626.29	8,347.25	8,347.25	
Locating Expense	21,104.64	13,629.88	18,508.44	11,387.74	13,803.33	
Service on Customer Premises	7,371.79	46,237.87	24,506.63	5,638.50	7,309.27	
Vehicle Maintenance						12,000.00
Vehicle Lease Plan						7,000.00
Mapping Expense	30,799.16	30,810.45	32,968.07	28,391.73	34,303.28	
Small Tools Expense	3,412.39	3,465.45	4,165.42	1,825.63	1,981.34	4,500.00
Safety Expense	9,000.30	14,825.96	11,243.06	5,920.82	6,741.62	9,000.00
Seminar/Training Expense	14,211.13	20,364.93	13,916.59	5,105.77	5,699.62	4,800.00
Uniforms Expense	56.91	377.79	2,786.54	72.00	86.40	1,000.00



GRAND RAPIDS PUBLIC UTILITIES  
Operating Budget - Water  
For the Twelve Months Ending Sunday, December 31, 2023

Item 13.

	2020	2021	2022	2023	2023	2024
	Actual	Actual	Actual	YTD Sept	Forecast	Budget
Miscellaneous Meetings						
Rentals		2.49		31.92	31.92	
Stores Expense (Labor)	15,074.25	24,981.16	13,003.56	9,468.40	12,223.41	
<b>TOTAL DISTRIBUTION OPERATION EXPENSE</b>	<b>152,176.14</b>	<b>218,492.09</b>	<b>197,588.03</b>	<b>116,092.67</b>	<b>142,254.86</b>	<b>86,300.00</b>
<b>WATER DEPARTMENT</b>						
<b>DISTRIBUTION MAINTENANCE EXPENSE</b>						
Supervision						
Towers and Tanks	6,484.15	16,298.13	10,292.73	16,361.56	19,389.40	9,000.00
Elevated Tank Control System	2,089.14	370.63	449.19	1,265.89	1,265.89	
Booster Pump (21st St SW)	303.00	2,538.31	3,639.54	268.01	268.01	
Booster Station		24.99	3,707.63			1,200.00
Mains and Hydrants	138,680.98	93,944.35	313,533.03	204,284.16	212,393.79	180,000.00
Services	9,018.65	43,923.48	55,326.08	18,217.53	23,164.12	35,000.00
Meters and Meter Installations	(2,552.98)	6,396.12	8,444.47	18,344.65	22,406.81	14,040.00
Miscellaneous Distribution Expense	147.38	5,319.77	4,911.05	4,605.76	5,933.47	
<b>TOTAL DISTRIBUTION MAINTENANCE EXPENSE</b>	<b>154,170.32</b>	<b>168,815.78</b>	<b>400,303.72</b>	<b>263,347.56</b>	<b>284,821.49</b>	<b>241,240.00</b>
<b>OTHER EXPENSES</b>						
Truck Expense - Operation		(2,657.73)	(3,300.43)	(1,895.51)	0.00	
Truck Expense - Maintenance						
Operation & Maintenance - Misc Equip						
<b>TOTAL OTHER EXPENSES</b>		<b>(2,657.73)</b>	<b>(3,300.43)</b>	<b>(1,895.51)</b>	<b>0.00</b>	
<b>CUSTOMER ACCOUNTING EXPENSES</b>						
Supervision	(4,002.37)	26,434.37	10,394.96	7,544.40	8,973.12	
Meter Reading	1,617.90	2,426.13	2,982.43	1,199.15	1,464.65	2,500.00
Customer Billing and Accounting	89,886.58	95,917.52	94,226.26	72,343.97	91,671.35	124,000.00
Collecting Expense	700.38					
Miscellaneous Expense	214.99	(1,847.11)	462.58	347.53	381.75	
Miscellaneous Customer Information						
<b>TOTAL CUSTOMER ACCOUNTING EXPENSES</b>	<b>88,417.48</b>	<b>122,930.91</b>	<b>108,066.23</b>	<b>81,435.05</b>	<b>102,490.87</b>	<b>126,500.00</b>
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>						
Administrative & General Salaries	44,349.48	57,100.74	48,052.82	31,223.90	38,212.27	61,000.00
Commissioner Salaries	2,585.46	2,680.46	2,680.43	2,356.55	3,142.07	2,604.00
City Treasurer Salary	165.00	165.00	165.00			
General Office Supplies and Phone	4,619.83	8,406.55	7,267.55	4,272.54	5,332.72	6,080.00
Accounting Outside Service	6,360.00	6,594.00	9,372.00	7,833.00	8,545.09	4,365.00
Data Processing Outside Service	21,431.91	25,122.96	29,281.00	23,129.63	26,705.38	
Legal Outside Services	5,159.95	3,741.32	10,965.14	643.07	932.54	6,000.00
Engineering Outside Service	6,800.00	3,400.00	369.59			3,600.00
Other- Outside Services	579.74	228.54	35,388.24	5,762.18	10,290.61	25,500.00
Fiber Optic Outside Service			113.51			
Insurance - Fire	5,869.00	6,165.72	7,555.26	7,187.28	8,834.95	11,220.00
Insurance - Liability	5,621.15	4,096.38	4,874.82	3,975.72	4,845.16	5,730.00
Insurance - Worker's Compensation	5,702.00	11,369.04	14,410.82	31,462.92	38,103.19	43,656.00
Insurance - Worker's Comp Deductible						
Insurance - Auto	614.94	572.28	465.78	353.70	429.93	492.00
Insurance - Miscellaneous	630.74	538.86	125.82	638.82	781.29	912.00
Insurance Claims - Injuries & Damages		9,979.69	(8,836.30)			
Insurance - Group Health	126,465.59	114,280.66	113,787.16	94,708.41	115,124.90	111,720.00
Insurance - Group Health Co-insurance						
Insurance - Group Health HSA funding	14,760.04	27,980.00	30,037.98	13,138.87	15,967.46	23,946.00
Insurance - Group Life	1,009.26	1,008.61	1,059.38	841.53	1,018.16	1,500.00
Employee Assistance Programs						
Insurance - Group Dental	3,976.65	5,887.62	5,897.77	4,581.73	5,551.39	3,188.00
Third Party Administrative Cost	314.82	275.72	238.50	158.24	221.11	250.00
FICA						33,108.00
PERA	(19,173.00)	(45,566.00)	27,246.00			32,452.00
Paid Time Off	59,180.42	80,057.70	77,371.67	63,350.63	85,482.96	
Extended Illness Benefit	8,114.22	8,287.14	9,251.22			
Short-Term Disability Payments						
Disability Insurance	2,902.25	2,870.97	3,034.71	3,045.72	4,463.97	3,840.00
Unemployment Compensation				6,632.10	6,632.10	3,360.00
Lump Sum Payments						
Advertising/Promotions				110.00	110.00	2,660.00
Miscellaneous General Expense	10,350.13	(1,170.13)	22,572.74	13,549.96	14,919.65	6,000.00
Maintenance of General Plant	2,344.32	2,921.83	3,967.82	6,264.97	6,927.19	
<b>TOTAL ADMINISTRATIVE AND GENERAL EXPENSES</b>	<b>320,733.90</b>	<b>336,995.66</b>	<b>456,716.43</b>	<b>325,221.47</b>	<b>402,574.08</b>	<b>393,183.00</b>

GRAND RAPIDS PUBLIC UTILITIES  
Operating Budget - Water  
For the Twelve Months Ending Sunday, December 31, 2023

Item 13.

	2020	2021	2022	2023	2023	2024
	Actual	Actual	Actual	YTD Sept	Forecast	Budget
Depreciation	325,827.13	331,342.63	332,702.16	249,092.94	301,926.65	234,060.00
Amortization Bond Discount & Expense	973.56	973.56	8,216.86		2,900.00	2,879.00
Amortization Expense, Intangibles						
<b>TOTAL OPERATING EXPENSES</b>	<b>1,586,002.04</b>	<b>1,768,539.48</b>	<b>2,120,175.29</b>	<b>1,525,947.79</b>	<b>1,871,749.22</b>	<b>2,160,414.00</b>
<b>NET OPERATING INCOME</b>	<b>198,474.13</b>	<b>136,111.77</b>	<b>(233,072.96)</b>	<b>91,561.76</b>	<b>258,339.36</b>	<b>39,469.94</b>
<b>OTHER INCOME</b>						
Extraordinary Income (Loss)						
Interest Income - Non-Operating - leases			5,183.00	925.62	925.62	1,500.00
Property Disposition Gain (Loss)	1,125.00					
<b>TOTAL OTHER INCOME</b>	<b>1,125.00</b>		<b>5,183.00</b>	<b>925.62</b>	<b>925.62</b>	<b>1,500.00</b>
<b>OTHER EXPENSES</b>						
Interest Expense - 2012D Bonds	24,630.00	22,826.43	1,946.46			
Interest Expense - 1999 Water Revenue Note						
Amortization of Bond Iss Costs 2021A GO Bonds		642.00	642.00			192.60
Bond Fees - 2023B GO Revenue Bonds					442.00	500.00
Interest Expense - 2021A GO Revenue Bond			486.62	117.49	296.16	382.00
Interest Expense - 2021D GO Refund Rev Bond			21,171.80	10,609.95	10,609.95	17,063.00
Interest Expense - 2023B GO Revenue Bonds						77,213.00
Bond Fees - 2021A GO Revenue Bond						150.00
Bond Fees - 2021D GO Refunding Rev Bond			145.29	487.50	487.50	650.00
Unusual & Extraordinary Expenses						
Combined Service Center - Transfer-in						48,602.00
Human Resources - Transfer-in						6,300.00
Information Systems - Transfer-in						40,390.00
Information Technology - Transfer-in						36,190.00
<b>TOTAL OTHER EXPENSES</b>	<b>24,630.00</b>	<b>23,468.43</b>	<b>24,392.17</b>	<b>11,214.94</b>	<b>11,835.61</b>	<b>227,632.60</b>
<b>WATER DEPARTMENT NET INCOME</b>	<b>174,969.13</b>	<b>112,643.34</b>	<b>(252,282.13)</b>	<b>81,272.44</b>	<b>247,429.37</b>	<b>(186,662.66)</b>

GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Collection  
 For the Twelve Months Ending Sunday, December 31, 2023

Item 13.

	2020	2021	2022	2023	2023	2024
	Actual	Actual	Actual	YTD Sept	Forecast	Budget
<b>WASTEWATER COLLECTION DEPARTMENT</b>						
<b>OPERATING REVENUES</b>						
Collections - City Residential	\$733,023.05	\$765,394.05	\$749,887.62	\$603,502.64	\$795,722.39	\$835,973.35
Collections- City Commercial	737,707.56	787,523.28	788,298.07	700,037.80	936,696.41	951,593.55
Collections- City Multi-Family					0	
Collections- Rural Residential	811.20	763.20	772.66	515.69	695.60	765.59
Collections - Rural Commercial	3,978.15	3,639.12	3,939.17	3,518.35	4,683.30	5,235.00
Collections - Public Authority	140,931.40	133,262.20	145,631.45	113,240.80	148,394.82	153,557.30
Septage Hauler - Regular Fees	129,671.86	114,482.26	109,627.33	89,474.50	136,518.00	137,457.43
Septage Hauler - Holding Tank Fee	24,858.95	41,449.77	29,258.63	6,245.24	6,245.24	
Septage Hauler - Biosolids Disposal						
<b>TOTAL OPERATING REVENUES</b>	<b>1,770,982.17</b>	<b>1,846,513.88</b>	<b>1,827,414.93</b>	<b>1,516,535.02</b>	<b>2,028,955.75</b>	<b>2,084,582.22</b>
<b>OTHER REVENUES</b>						
Service Connections	1,000.00	1,400.00	1,200.00	900.00	1,100.00	
Permit Fees	935.00	1,615.00	3,199.76	785.00	870.00	
Septage Hauler - Permit Fees	175.00	250.00	100.00	50.00	50.00	
Thawing Service						
Septic Tank Disposal						
Merchandising & Jobbing (Net)	4,442.88	2,755.55	8,156.85	4,646.04	6,452.53	
City of Grand Rapids Merch & Jobbing (Net)						
City of LaPrairie Merch/ Jobbing (Net)	7,682.09	3,656.41	2,415.88	4,239.36	4,535.85	
Jetting Service	2,169.02	402.91	185.00	(456.82)	0.00	
Equipment Rental Revenue						
Miscellaneous Income	6,372.51	6,456.68	9,315.51	3,750.69	6,029.11	5,500.00
<b>TOTAL OTHER SERVICES</b>	<b>22,776.50</b>	<b>16,536.55</b>	<b>24,573.00</b>	<b>13,914.27</b>	<b>19,037.49</b>	<b>5,500.00</b>
<b>TOTAL WASTEWATER COLLECTION RE</b>	<b>1,793,758.67</b>	<b>1,863,050.43</b>	<b>1,851,987.93</b>	<b>1,530,449.29</b>	<b>2,047,993.24</b>	<b>2,090,082.22</b>
<b>WASTEWATER COLLECTION DEPARTMENT</b>						
<b>EXPENSES</b>						
<b>OPERATING EXPENSES</b>						
Supervision and Engineering	26,142.84	25,032.23	25,514.64	20,152.23	26,324.86	
Wages & Salaries - Full-time			67,438.83	66,609.91	80,308.51	244,620.00
Wages & Salaries - Temporary						12,000.00
Records	329.67	373.08	2,411.10			
Maintenance Inspections		638.88	132.60			
Thawing Mains & Services			35.93			
Locating Expense	9,876.72	10,100.09	13,441.55	11,387.74	13,803.33	
Services on Customer Premises	424.02	556.47	251.99		161.76	
Vehicle Maintenance						12,000.00
Mapping Expense	30,778.77	30,810.45	31,959.01	28,007.46	33,884.07	
Small Tools Expense	919.46	2,059.25	1,379.77	901.14	1,071.39	1,320.00
Safety Expense	3,467.17	4,075.69	2,394.30	1,254.47	1,390.33	9,000.00
Seminar/Training Expense	1,262.49	5,659.31	1,469.72	575.57	627.89	2,000.00
Uniforms Expense	56.91	95.08	743.17	72.00	78.55	1,000.00
Miscellaneous Meetings						
Rentals						
Stores Expense (Labor)	3,056.02	5,400.35	2,592.55	1,893.58	2,444.59	
Power Purchased	14,327.33	15,438.62	17,274.68	12,066.14	14,377.84	16,650.00
<b>TOTAL OPERATING EXPENSES</b>	<b>90,641.40</b>	<b>100,239.50</b>	<b>167,039.84</b>	<b>142,920.24</b>	<b>174,473.12</b>	<b>298,590.00</b>
<b>MAINTENANCE EXPENSES</b>						
Supervision and Engineering						
Lift Station Buildings	30.00					
Lift Station Pumps	38,226.54	94,554.04	57,735.43	55,466.16	78,584.91	43,400.00
Mains	81,456.05	74,472.17	72,526.85	29,979.35	37,638.92	32,000.00
Services	7,323.44	4,733.26	53,080.78	3,132.92	4,085.09	15,000.00
Miscellaneous Expenses	330.18	6,896.81	4,483.70	3,313.90	3,978.76	2,000.00
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>127,366.21</b>	<b>180,656.28</b>	<b>187,826.76</b>	<b>91,892.33</b>	<b>124,287.68</b>	<b>92,400.00</b>
<b>OTHER EXPENSES</b>						
Truck Expense - Operation		4,069.43	2,201.62	418.70	0.00	
Truck Expense - Maintenance						
Operation & Maintenance - Misc Equip						
<b>TOTAL OTHER EXPENSES</b>		<b>4,069.43</b>	<b>2,201.62</b>	<b>418.70</b>	<b>0.00</b>	



GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Collection  
 For the Twelve Months Ending Sunday, December 31, 2023

Item 13.

	2020	2021	2022	2023	2023	2024
	Actual	Actual	Actual	YTD Sept	Forecast	Budget
<b>WASTEWATER DEPARTMENT</b>						
<b>CUSTOMER ACCOUNTING EXPENSES</b>						
Supervision	(3,001.81)	19,825.78	7,796.33	5,658.32	6,729.83	
Meter Reading		41.38				
Customer Billing and Accounting	67,415.24	71,938.66	70,670.04	54,258.65	68,754.45	97,000.00
Collecting Expense	525.35					
Miscellaneous Expense	215.00	2,528.79	311.88	369.40	404.60	1,200.00
Miscellaneous Customer Information		1,846.00				
<b>TOTAL CUSTOMER ACCOUNTING EXPE</b>	<b>65,153.78</b>	<b>96,180.61</b>	<b>78,778.25</b>	<b>60,286.37</b>	<b>75,888.88</b>	<b>98,200.00</b>
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>						
Supervision	33,262.61	42,825.45	36,039.50	23,417.98	28,659.24	48,000.00
Commissioner Salaries	1,939.12	2,010.47	2,010.48	1,767.60	2,356.80	2,046.00
City Treasurer Salary	110.00	110.00	110.00			
General Office Supplies and Phone	3,217.59	5,632.25	6,769.45	3,242.78	3,861.63	5,300.00
Accounting Outside Service	4,240.00	4,396.00	6,248.00	5,222.00	5,696.73	3,427.00
Data Processing Outside Service	11,457.56	13,363.38	15,422.57	12,213.31	14,371.05	
Legal Outside Services	3,048.44	10,381.11	1,161.95	672.55	778.43	12,000.00
Engineering Outside Service	1,900.00	1,900.00	11,588.56			27,450.00
Other - Outside Services	331.06	130.51	17,373.01	3,290.49	5,876.44	
Fiber Optic Outside Service			113.51			
Insurance - Fire	550.50	577.20	768.72	770.52	946.93	1,198.00
Insurance - Liability	8,250.86	12,372.42	15,197.70	11,876.79	14,444.92	16,785.00
Insurance - Worker's Compensation	19,093.00	8,470.96	35,981.19	21,381.42	25,814.64	28,752.00
Insurance - Worker's Comp Deductible					0	
Insurance - Auto	935.71	1,210.86	1,100.46	833.61	1,012.76	1,170.00
Insurance - Miscellaneous	553.19	483.12	200.11	1,200.03	1,479.93	1,932.00
Insurance Claims - Injuries & Damages		55,139.53	1,000.00	500.00	545.45	
Insurance - Group Health	71,727.28	56,034.90	57,504.84	47,091.99	57,326.32	80,405.00
Insurance - Group Health Co-insurance					0	
Insurance - Group Health HSA funding	8,508.96	19,150.00	15,441.40	26,238.66	31,835.61	16,236.00
Insurance - Group Life	512.44	512.08	537.85	427.26	516.94	600.00
Employee Assistance Programs					0	
Insurance - Group Dental	2,289.78	2,909.56	2,978.86	2,298.04	2,783.29	3,000.00
Third Party Administrative Cost	167.90	147.04	127.21	84.37	117.89	240.00
FICA						20,094.00
PERA	(10,150.00)	(24,122.00)	14,424.00			19,692.00
Paid Time Off	35,896.47	41,974.00	38,219.69	31,267.21	42,810.21	
Extended Illness Benefit	2,816.63	3,206.00	2,256.99			
Short-Term Disability Payments						
Disability Insurance	1,608.24	1,523.06	1,606.67	1,693.93	2,491.31	2,100.00
Unemployment Compensation				6,632.10	6,632.10	2,640.00
Lump Sum Payments						
Advertising/Promotions				82.50	90.00	2,090.00
Miscellaneous General Expense	5,574.34	1,303.81	14,240.18	7,287.75	8,910.40	5,000.00
Maintenance of General Plant	1,499.63	1,974.44	2,560.45	4,164.45	4,605.21	5,000.00
Environmental Programs						
<b>TOTAL ADMINISTRATIVE AND GENERAL</b>	<b>209,341.31</b>	<b>263,616.15</b>	<b>300,983.35</b>	<b>213,657.34</b>	<b>263,964.24</b>	<b>305,157.00</b>
<b>DOMESTIC PLANT EXPENSES</b>						
Power Purchased	44,734.86	51,914.97	58,823.36	38,591.50	45,094.09	54,465.00
Water Purchased	4,818.38	5,044.06	5,888.74	4,399.03	5,443.13	6,478.00
Wastewater Collection Services Purchase	5,956.80	6,225.60	7,241.62	4,765.81	5,890.45	6,929.00
Supervision and Engineering						
Labor						
Chemicals						
Heating Fuel						
Miscellaneous Supplies and Expense						
Maintenance - Building and Fixtures	1,546.18	1,982.40	2,132.92	3,647.95	5,688.65	4,000.00
Maintenance - Treatment Facilities and E	22,867.18	21,530.98	17,055.83	17,000.69	27,629.51	24,000.00
Maintenance - Tools and Equipment				645.07	1,405.47	
Miscellaneous Maintenance Expense		1,370.00	2,612.41	2,702.95	3,913.60	5,000.00
Maintenance Inspections						
Insurance - All, Expired	686.50	717.78	824.82	751.26	923.28	1,170.00
Miscellaneous General and Admin Expense						
<b>TOTAL DOMESTIC EXPENSE</b>	<b>80,609.90</b>	<b>88,785.79</b>	<b>94,579.70</b>	<b>72,504.26</b>	<b>95,988.18</b>	<b>102,042.00</b>

GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Collection  
 For the Twelve Months Ending Sunday, December 31, 2023

Item 13.

	2020	2021	2022	2023	2023	2024
	Actual	Actual	Actual	YTD Sept	Forecast	Budget
DOMESTIC PORTION SECONDARY PLANT					464,352.36	461,430.00
DOMESTIC PORTION OF SERVICE CTR					15,081.47	16,882.87
DOMESTIC PORTION OF SLUDGE DISPOSAL					42,782.66	73,387.60
<b>OPERATING INCOME BEFORE DEPRECI</b>	<b>1,220,646.07</b>	<b>1,129,502.67</b>	<b>1,020,578.41</b>	<b>948,770.05</b>	<b>791,174.66</b>	<b>641,992.75</b>
<b>LESS:</b>						
Depreciation	190,015.22	236,712.92	234,089.71	183,507.39	222,433.20	234,072.00
Amortization - Debt Discount and Expense	519.96	519.96	4,169.76		1,459.00	1,459.00
Amortization Computer Intangibles						
<b>TOTAL OPERATING EXPENSES</b>	<b>763,647.78</b>	<b>970,780.64</b>	<b>1,069,668.99</b>	<b>765,186.63</b>	<b>1,480,710.79</b>	<b>1,683,620.47</b>
<b>NET OPERATING INCOME</b>	<b>1,030,110.89</b>	<b>892,269.79</b>	<b>782,318.94</b>	<b>765,262.66</b>	<b>567,282.46</b>	<b>406,461.75</b>
<b>ADD:</b>						
Extra Ordinary Income (Loss)						
Gain (Loss) on Property Disposition		27,500.00				
Grant Revenues						
<b>LESS:</b>						
Interest Expense, 2012D Bonds	11,965.85	11,652.95	1,048.11			
Interest Expense - 2021A GO Bonds			486.61	117.48	296.16	300.00
Amortization of Bond Issue Cost 2021A GO Bonds		642.00	642.00			642.00
Interest Expense - 2021D GO Refunding Reve			11,400.20	5,713.05	5,713.05	10,200.00
Interest Expenses - 2023B GO Revenue Bodns						77,213.00
Bond Fees - 2012D	604.53	232.80	350.00			
Bond Fees - 2021A GO Bonds						
Bond Fees - 2021D GO Refunding Rev			78.24	262.50	262.50	300.00
Bond Fees - 2023B GO Revenue Bonds					408.00	500.00
Operating Transfers to City						
Unusual & Extraordinary Expenses						
Combined Service Center - Transfer-in						38,187.00
Human Resources - Transfer-in						5,000.00
Information Systems - Transfer-in						37,678.00
Information Technology - Transfer-in						33,132.00
<b>WASTEWATER COLLECTION DEPT NET INCO</b>	<b>1,017,540.51</b>	<b>907,242.04</b>	<b>768,313.78</b>	<b>759,169.63</b>	<b>560,602.75</b>	<b>203,309.75</b>

GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Treatment  
 For the Twelve Months Ending Sunday, December 31, 2023

Item 13.

	2020	2021	2022	2023	2023	2024
	Actual	Actual	Actual	YTD Sept	Forecast	Budget
<b>WASTEWATER TREATMENT PLANT</b>						
<b>OPERATING REVENUES</b>						
Screen House	\$266,991.11	\$251,313.34	\$294,332.16	\$209,808.27	\$257,850.02	\$236,810.00
Industrial Waste Treatment						
Primary Plant II Waste Treatment	1,778,803.18	1,274,014.25	1,461,383.79	1,037,884.67	1,439,491.85	1,365,583.00
Sludge Disposal	378,955.36	507,039.14	542,413.08	361,345.95	492,000.56	843,957.40
WWTP Service Center Building	132,751.94	114,300.14	123,074.60	82,220.25	105,570.29	118,180.12
Secondary Waste Treatment	1,034,087.36	1,207,757.08	1,408,425.13	983,874.39	1,083,488.82	1,076,671.40
WWTP Revenue (Exp) Suspense						
<b>Total WasteTreatment Revenue</b>	<b>3,591,588.95</b>	<b>3,354,423.95</b>	<b>3,829,628.76</b>	<b>2,675,133.53</b>	<b>3,378,401.54</b>	<b>3,641,201.92</b>
<b>Screen House Expenses</b>						
Supervision	7,104.84	6,147.03	6,281.60	4,969.44	6,507.48	
Wages & Salaries - Full-time	21,215.71	21,125.12	21,950.91	16,934.26	22,252.76	27,320.00
Wages & Salaries - Full-time-Overtim	4,199.61	4,561.73	5,238.19	4,099.53	5,425.17	5,796.00
Pera (Public Employee Retirement)						2,049.00
FICA/Medicare						2,090.00
Group Insurance	17,058.36	11,093.33	9,960.79	8,681.25	10,521.96	6,457.00
Co-Insurance Payments						
HSA Funding	2,028.00	2,750.00	2,645.34	2,497.62	3,039.12	2,860.00
Life Insurance	154.41	154.33	162.11	128.79	155.81	183.00
Employee Assistance Programs						
Dental Insurance	532.17	576.67	550.18	403.87	490.43	600.00
Third Party Administrative Cost	62.96	55.16	47.69	31.67	44.25	36.00
Other Fringe Costs (PTO & EIB)	9,062.02	7,207.62	9,391.40	4,982.87	6,965.14	
Short-Term Disability Payments						
Disability Insurance	866.25	846.61	939.83	853.34	1,246.28	1,083.00
Supplies and Sundries	214.58	816.40	937.55	693.86	843.87	880.00
Uniforms Expense	62.59	7.05	765.83	233.37	254.59	280.00
Fuel - Heating	3,039.12	4,669.93	4,600.83	2,456.15	3,137.23	4,950.00
Fuel - Trucks						
Engineering Expense						
Administrative Expense	24,463.89	17,991.15	19,548.28	17,084.99	22,549.17	22,944.00
Safety Expense	1,796.49	1,492.43	1,286.17	685.38	761.32	1,920.00
Seminars	484.61	458.43	77.92	988.48	1,208.43	1,100.00
Miscellaneous Meetings						
Insurance	4,881.61	3,962.65	2,102.99	3,836.31	4,185.07	4,028.00
Worker Compensation Deductible						
Permits						
Legal	875.83	735.40	725.06	356.32	460.91	960.00
Records						
Telephone						
Misc Capital Exp Work in Prog						
Misc Capital Expenditures						
DCS Support Contract	3,523.15	2,356.06	145.47	881.71	1,927.65	4,400.00
Screens-Conveyors-Spray Water	12,006.60	4,177.40	9,107.15	11,518.54	14,955.56	8,000.00
Sewage Pumps	3,925.90	9,108.18	13,523.54	32,405.12	36,858.31	25,000.00
Bark Trucks	127.25		631.57			
Electric Motors & Controls	4,178.21	4,274.99	3,787.93	2,247.65	2,630.67	5,000.00
Instrumentation	3,011.00	2,938.45	1,873.26	2,754.25	3,101.77	3,400.00
Buildings and Grounds	32,706.95	12,596.39	21,133.09	6,367.76	8,451.22	5,000.00
Maintenance Inspection	1,170.64	555.95	2,986.83			
Force Mains & Manholes	3,151.78	738.99	816.64		178.69	1,000.00
Power Purchased	94,790.60	118,447.68	132,775.81	65,929.50	79,533.31	83,430.00
Utilities - Use Tax						
Water Purchased	8,419.48	13,671.79	20,338.20	16,431.18	20,163.88	9,207.00
Technology IS& IT Transfer-in						6,837.00
<b>Total Screen House Expense</b>	<b>265,114.61</b>	<b>253,516.92</b>	<b>294,332.16</b>	<b>208,453.21</b>	<b>257,850.02</b>	<b>236,810.00</b>



GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Treatment  
 For the Twelve Months Ending Sunday, December 31, 2023

Item 13.

	2020	2021	2022	2023	2023	2024
	Actual	Actual	Actual	YTD Sept	Forecast	Budget
<b>Primary Plant II Waste Treatment Expense</b>						
Supervision	25,893.26	22,135.71	22,574.03	17,862.54	23,397.47	
Wages & Salaries - Full-time	242,901.97	131,788.56	134,459.38	103,608.58	135,976.80	163,170.00
Wages & Salaries - Full-time-Overtime	62,991.63	32,878.34	36,093.60	28,697.02	37,976.43	42,456.00
Pera (Public Employee Retirement)						15,163.00
FICA/Medicare						15,468.00
Group Insurance	122,285.69	54,934.32	48,967.42	42,005.82	50,910.77	47,784.00
Co-Insurance Payments						
HSA Funding	14,352.00	13,375.00	13,201.36	12,341.31	15,040.99	13,854.00
Third Party Administrative Cost	398.80	349.16	302.14	200.24	279.84	300.00
Life Insurance	965.02	964.33	1,012.89	804.60	973.47	1,140.00
Employee Assistance Programs						
Dental Insurance	3,896.55	2,902.05	2,746.75	1,953.62	2,373.10	3,072.00
Other Fringe Costs (PTO & EIB)	61,139.55	34,610.55	45,153.78	23,300.41	33,133.90	
Short-Term Disability Payments						
Disability Insurance	2,886.91	2,823.03	3,133.23	2,844.90	4,154.99	3,610.00
Supplies and Sundries	796.89	1,083.02	4,196.75	10,129.79	11,218.95	1,380.00
Tools	2,869.46	4,344.78	7,068.87	5,855.74	6,646.25	5,400.00
Electric Tools & Equipment						4,500.00
Uniforms Expense	361.72	23.51	2,856.92	791.20	863.13	500.00
Fuel - Heating						
Fuel - Trucks	15.87	9.20	166.10	60.88	66.41	
Vehicle Lease Plan						28,000.00
Engineering Expense						
Administrative Expense	146,898.22	125,978.49	176,607.32	132,994.65	175,166.35	181,836.00
Safety Expense	11,082.77	9,077.03	7,586.01	3,288.95	3,653.40	8,160.00
Seminars	2,503.67	2,368.55	426.22	5,107.02	6,243.49	5,200.00
Miscellaneous Meetings	139.72	94.43				
Insurance	26,643.88	32,297.83	20,568.70	24,625.19	26,863.84	26,125.00
Worker Compensation Deductible				3,183.39	3,472.79	
Permits	801.71	827.75	963.01	930.78	1,015.40	2,500.00
Legal	4,378.35	3,590.60	3,481.69	1,714.80	2,217.21	3,120.00
Records						
Outside Testing	1,750.00	28.75				700.00
Environmental Programs						
Telephone	1,271.24	1,129.33	3,619.63	1,280.56	1,552.41	1,380.00
Misc Capital Exp Work in Prog				65,474.65	134,555.72	
Misc Capital Expenditures						
Chemicals	249,372.09	56,313.11	26,727.16	23,120.59	28,463.88	48,000.00
Nitrogen Solution	5,558.40		18,496.55	11,500.00	12,545.45	10,000.00
Polymer	229,894.55	334,413.01	322,737.01	286,093.17	388,943.67	280,000.00
Polymer - Secondary Plant						
Zinc Chloride	26,109.60		44,046.23			27,000.00
Sulfuric Acid						
HTH	153,650.00	29,610.00	7,586.70		2,029.09	36,000.00
C-5 Scale Inhibitor						
K-10 Dewatering Chemical						
DCS Support Contract		563.00				13,300.00
Primary Clarifier & AIC	16,435.82	8,169.71	59,281.93	11,811.19	15,071.27	28,000.00
Sludge Blend Tank	547.78	1,853.18	2,743.97	3,106.16	3,777.29	6,500.00
Sludge Pumps	5,578.68	25,794.95	33,759.35	5,313.59	5,975.33	12,000.00
Rotary Screens	10,115.12	7,255.85	5,323.08	14,197.54	16,147.34	5,000.00
Sludge Conveyors	48,363.45	9,140.80	16,787.37	9,896.28	13,005.85	10,000.00
Additive Systems	9,452.91	3,200.45	5,378.39	1,918.09	3,806.13	
Electric Motors & Controls	8,643.31	9,190.58	21,253.53	5,910.64	8,998.82	12,000.00
Instrumentation	1,841.89	1,462.00	2,215.87	5,639.47	6,584.31	5,000.00
Building & Grounds	48,114.77	36,259.65	42,725.00	22,165.33	31,069.15	15,000.00
Snowplowing - Primary II Plant	938.79	280.90	667.88	786.56	858.07	2,500.00
Demo Dump						
Screw Presses	2,454.04	3,066.71	9,565.04	7,354.96	9,260.02	10,000.00
Maintenance Inspection	1,694.15	903.43	3,221.13	774.90	845.35	
Power Purchased	218,527.93	264,484.86	298,938.21	178,056.45	208,789.59	215,384.00
Utilities - Use Tax						

GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Treatment  
 For the Twelve Months Ending Sunday, December 31, 2023

Item 13.

	2020	2021	2022	2023	2023	2024
	Actual	Actual	Actual	YTD Sept	Forecast	Budget
Water Purchased	4,285.02	6,515.76	4,743.59	4,759.90	5,568.13	4,488.00
Technology - IS & IT Transfer-in						50,593.00
<b>Total Primary Plant II Waste Treatment E</b>	<b>1,778,803.18</b>	<b>1,276,092.27</b>	<b>1,461,383.79</b>	<b>1,081,461.46</b>	<b>1,439,491.85</b>	<b>1,365,583.00</b>

**Sludge Disposal Waste Treatment Plant**

Supervision	9,629.70	15,884.33	16,510.67	12,956.21	17,055.60	
Wages & Salaries - Full-time	57,763.39	133,640.60	144,450.27	111,679.67	145,609.58	216,156.00
Wages & Salaries - Full-time-Overtime	12,426.71	42,133.87	53,334.40	54,526.15	69,012.68	45,396.00
Pera (Public Employee Retirement)						16,212.00
FICA						16,536.00
Group Insurance	49,435.15	41,801.59	36,361.73	29,731.44	36,030.44	51,090.00
Co-Insurance Payments						
HSA Funding	5,954.04	9,625.00	10,245.34	9,332.74	11,429.29	9,936.00
Life Insurance	508.85	508.48	534.09	424.26	513.31	600.00
Third Party Administrative Cost						300.00
Other Fringe Costs (PTO & EIB)	3,545.29	21,139.13	31,946.29	14,940.40	22,755.99	
Short-Term Disability Payments						
Employee Assistance Programs						
Dental Insurance	1,614.78	2,314.18	2,139.99	1,381.14	1,679.55	2,340.00
Uniforms Expense						300.00
Fuel - Trucks						
Engineering Exp - Sludge Landfill	3,620.00	14,603.50	11,779.64	17,225.75	19,734.00	9,700.00
Administrative Expense	3,487.43	2,508.26	1,319.27	4,366.40	7,497.19	197,376.00
FEMA Payments						
Safety Expense	313.89			650.94	710.12	720.00
Seminars		1,698.71	46.36	245.95	268.31	2,600.00
Miscellaneous Meetings		78.49				
Insurance	9,194.88	16,180.50	6,482.56	6,592.57	7,191.89	6,654.00
Worker Compensation Deductible						
Permits	400.00	400.00	400.00	400.00	436.36	1,500.00
Legal						1,000.00
Records						
Outside Testing						
Misc Capital Exp Work in Prog						
Misc Capital Expenditures						
Sludge Placement	48,862.08	63,474.00	71,761.92	34,401.12	46,286.44	56,943.00
Misc Landfill Operating Expense	53,756.85	45,171.85	40,472.27	30,144.14	37,817.95	43,200.00
Sludge Dump Closure						
Leachate Collaection Sludge LD	39,945.28	11,811.74	18,903.33	17,689.17	20,141.43	36,200.00
Soild Waste ST Tax Assessment	244.80	316.80	403.20	237.60	274.91	400.00
Sludge Landfill Amortization	53,430.36	53,430.36	53,430.36			53,430.00
Landfill Monitoring						
Well Monitoring	53,007.26	54,025.87	54,428.96	32,400.35	35,345.84	47,000.00
Sludge Disposal Alternatives						
Sludge Land Spreading						
Sludge Hauling Trucks	19,711.09	24,395.11	82,237.21	43,661.21	52,857.49	40,000.00
Power Purchased	2,396.61	2,189.85	2,411.90	1,832.25	2,134.85	2,959.00
Water Purchased						
Technology - IS & IT Transfer-in						58,797.00
<b>Total Sludge Disposal Waste Treatment</b>	<b>429,248.44</b>	<b>557,332.22</b>	<b>639,599.76</b>	<b>424,819.46</b>	<b>534,783.22</b>	<b>917,345.00</b>

**Waste Treatment Service Center Building**

Supplies and Sundries	2,781.27	1,770.46	719.15	713.50	778.36	3,240.00
Tools	3,853.23	3,223.85	608.39	815.76	889.92	4,000.00
Fuel - Heating SCB						
Administrative Expense	32,300.81	15,266.02	18,711.82	9,870.16	13,765.83	20,000.00
Insurance	1,945.85	2,895.11	2,646.42	3,141.82	3,427.44	3,300.00
Safety Expense	3,032.04	176.00	955.42			
Telephone	3,910.75	4,220.60	4,297.10	2,774.08	3,520.00	3,360.00
Misc Capital Exp Work in Prog						
Misc Capital Expenditures						
SCADA Maint - SCB Primary Plant	155.38	2,281.46	(861.43)	2,032.40	2,217.16	14,000.00
Plant Vehicles	13,339.98	14,689.38	17,662.42	14,558.10	20,549.23	15,000.00



GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Treatment  
 For the Twelve Months Ending Sunday, December 31, 2023

Item 13.

	2020	2021	2022	2023	2023	2024
	Actual	Actual	Actual	YTD Sept	Forecast	Budget
Building & Grounds - SCB	35,209.76	27,755.65	38,392.31	24,397.71	30,868.32	20,000.00
Snowplowing - SCB						2,500.00
Power Purchased	42,307.14	46,545.05	49,813.56	32,567.62	38,181.92	45,492.00
Utilities - Use Tax						
Water Purchased	387.03	359.76	319.78	374.04	449.79	408.00
Wastewater Collection Service	285.73	245.51	201.10	353.99	424.32	288.00
Power Purchased (PUC Portion)	3,184.42	3,503.41	7,116.22	4,652.53	5,454.58	3,415.00
Utilities - Use Tax - PUC Portion						
Water Purchased - PUC Portion	29.15	27.08	45.67	53.46	64.29	36.00
WW Collection Services - PUC Portion	21.47	18.49	28.72	50.56	60.60	24.00
<b>Total Waste Treatment Service Center</b>	<b>142,744.01</b>	<b>122,977.83</b>	<b>140,656.65</b>	<b>96,355.73</b>	<b>120,651.76</b>	<b>135,063.00</b>
<b>Secondary Waste Treatment Plant</b>						
Supervision	28,418.63	24,588.12	25,126.11	19,877.87	26,030.08	
Wages & Salaries - Full-time	84,862.16	54,129.39	55,418.17	42,825.50	56,378.51	57,372.00
Wages & Salaries - Full-time-Overtime	16,797.85	9,762.52	10,821.04	8,199.39	10,850.71	12,048.00
Truck Driver Wages						
Truck Driver Wages - Overtime						
Truck Driver Wages - Test Burn						
FICA						1,884.00
Pera (Public Employee Retirement)						1,842.00
Group Insurance	60,778.52	36,682.48	33,110.11	29,343.75	35,566.65	13,560.00
Co-Insurance Payments						
HSA Funding	7,305.96	9,250.00	8,661.36	8,278.90	10,058.41	10,320.00
Life Insurance	439.37	439.11	461.21	366.37	443.27	540.00
Employee Assistance Programs						
Third Party Administrative Cost	167.90	147.04	127.21	84.37	117.89	120.00
Dental Insurance	1,902.69	1,877.34	1,804.06	1,365.37	1,657.54	2,004.00
Other Fringe Costs (PTO & EIB)	32,255.55	25,088.35	31,966.19	17,306.77	23,835.88	
Short-Term Disability Payments						
Disability Insurance	2,020.27	1,976.04	2,192.20	1,991.16	2,908.15	2,526.00
Supplies and Sundries	439.66	1,674.75	1,890.81	1,412.40	1,720.07	1,560.00
Uniforms Expense	167.92	16.46	1,830.36	557.85	608.56	500.00
Fuel - Heating						
Fuel - Trucks						
Engineering Expense						
Administrative Expense	53,318.68	41,616.17	44,444.37	37,667.76	48,633.86	68,856.00
Safety Expense	4,789.69	5,910.86	2,700.10	1,370.76	1,522.65	10,980.00
Seminars	1,049.93	993.26	168.84	2,306.69	2,798.26	4,400.00
Miscellaneous Meetings	381.38	1,671.62	2,103.74			1,000.00
Insurance	29,179.56	28,568.60	19,628.27	29,749.43	32,453.92	27,530.00
Worker Compensation Deductible				3,448.67	3,762.19	
Permits	14,350.00	14,350.00	14,350.00	14,350.00	15,654.55	14,500.00
Legal	1,938.72	2,447.31	1,450.77	714.67	924.02	2,640.00
Records						
Outside Testing	15,256.66	12,593.00	13,922.01	12,724.69	14,833.07	15,600.00
Potlatch Payments						
Telephone	1,264.83	1,129.00	1,848.09	1,280.51	1,552.34	1,380.00
Misc Capital Exp Work in Prog				59,079.42	64,450.28	
Misc Capital Expenditures						
Laboratory Supplies	4,698.88	4,791.47	5,513.54	4,701.22	7,167.31	10,430.00
Laboratory Certification	3,231.80	2,923.00	2,524.29			3,600.00
Chemicals	19,628.00	38,711.06	55,090.07	36,226.55	42,141.03	38,500.00
DCS Support Contract	3,196.06	2,356.06		442.64	885.28	7,200.00
Blowers & Air Systems	23,245.40	7,835.47	9,437.41	9,825.53	12,778.46	6,000.00
Aerators	18,810.11	20,406.96	15,197.40	45,534.70	54,117.31	10,000.00
Secondary Clarifiers	3,360.13	3,241.78	9,786.41	1,626.39	2,260.99	2,000.00
Waste Activated Sludge	4,504.55	1,581.41	9,655.25	1,298.00	5,636.12	1,500.00
Pumps	8,071.57	8,865.76	7,123.69	1,250.50	1,498.20	12,000.00
Chlorination System	2,181.74	7,190.71	3,995.21	2,058.48	6,420.15	4,200.00
Additive System	75.92		140.41		178.69	
Laboratory Equipment	1,911.64	1,235.24	3,697.37	71.45	77.95	3,400.00
Plant Vehicles		146.40	747.03			3,360.00

GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Treatment  
 For the Twelve Months Ending Sunday, December 31, 2023

Item 13.

	2020	2021	2022	2023	2023	2024
	Actual	Actual	Actual	YTD Sept	Forecast	Budget
Electric Motors & Controls	3,749.70	12,091.03	4,732.22	3,419.51	4,498.11	5,000.00
Instrumentation	694.77	2,198.47		1,011.99	2,458.93	5,000.00
Building & Grounds	39,440.00	25,929.86	25,518.32	23,846.77	29,935.88	12,000.00
Snowplowing	938.82	280.90	667.87	786.57	858.08	1,500.00
Maintenance Inspections	1,888.52	764.44	4,077.74	193.72	308.47	
Sludge Dredging of A Cells						
Sludge Dredging						
Power Purchased (Industrial)	661,900.42	869,497.82	1,046,272.03	587,911.02	692,701.51	800,000.00
Utilities - Use Tax (Industrial)						
Water Purchased (Industrial)	20,407.02	37,265.05	42,410.40	28,026.54	33,329.95	14,500.00
Power Purchased (Domestic)	270,162.55	327,546.54	365,406.54	236,656.24	280,175.04	342,400.00
Utilities - Use Tax (Domestic)						
Water Purchased (Domestic)	8,329.16	14,195.40	14,839.03	11,432.62	13,652.89	4,350.00
<b>Total Secondary Waste Treatment Plant</b>	<b>1,457,512.69</b>	<b>1,663,966.25</b>	<b>1,900,857.25</b>	<b>1,290,622.74</b>	<b>1,547,841.18</b>	<b>1,538,102.00</b>
<b>Total WWTP Expenses</b>	<b>4,073,422.93</b>	<b>3,873,885.49</b>	<b>4,436,829.61</b>	<b>3,101,712.60</b>	<b>3,900,618.04</b>	<b>4,192,903.00</b>
Domestic Portion - Secondary Plant					(464,352.36)	(461,430.00)
Domestic Portion - WWTP SCB					(15,081.47)	(16,882.87)
Domestic Portion - Sludge Disposal					(42,782.66)	(73,387.60)
<b>Net WasteWater Treatment Plant Expen</b>	<b>4,073,422.93</b>	<b>3,873,885.49</b>	<b>4,436,829.61</b>	<b>3,101,712.60</b>	<b>3,378,401.55</b>	<b>3,641,202.53</b>
<b>Other Revenues</b>						
Demand Pmt/From Deferred Revenue						
Demand Pmt/2009A GO WW Rev Bond	(0.50)					
Demand Pmt/2009E PFA Note	1,215,432.00	1,117,721.58	1,287,036.00	1,323,756.00	0.00	0.00
Demand Pmt/2013C GO Utility Bond	140,000.22	118,880.21	150,000.00	155,000.00	155,000.00	
Demand Pmt/2021C GO Utility Revenue Bond			15,000.00	35,000.00	35,000.00	35,000.00
Interest Rev - Financial Assurance						
Interest Rev - 2009A Bonds Dem						
Interest Rev - 2009E PFA Dem	390,579.77	366,877.88	451,110.12	146,679.63	146,679.63	323,055.99
Interest Rev - 2013C Bonds Dem						
Interest Rev - 2021C GO Refunding Dem			10,390.71	10,468.75	10,468.75	10,469.00
Primary PLT Relocation Revenue						
EPA Stag Grant						
Grant Revenues	445,671.73	610.00				
Contribution City of GR	75,000.00					
Customer Contributions	339,821.69	32,686.88	139,853.49			
<b>Total Other Revenues</b>	<b>2,606,504.91</b>	<b>1,636,776.55</b>	<b>2,053,390.32</b>	<b>1,670,904.38</b>	<b>347,148.38</b>	<b>368,524.99</b>
<b>Other Expenses</b>						
Interest on LT Debt - 2009E PFA Note	424,137.59	384,864.88	358,950.70	163,261.38	163,261.38	319,494.00
Interest on LT Debt - 2013C Bonds	63,037.54	57,168.00	8,437.50	6,853.69	6,853.69	
Interest on LT Debt - 2021C Refund GO Bonds		3,479.36	9,667.18	10,468.75	10,468.75	10,469.00
Interest Expense - loss on refunding 2013C			10,560.00			10,560.00
Capitalized Interest						
Bond Fees - 2009A GO WW Rev Bonds	211.11					
Bond Fees - 2009E PFA Note	1,600.00	1,600.00	1,600.00			1,000.00
Bond Fees - 2012D GO Utility Rev						
Bond Fees - 2013C GO Utility Bond	711.11	200.00	223.53			
Bond Fees - 2021C GO Tax Revenue Bonds			723.53	750.00	750.00	1,000.00
Amort Debt Disc & Exp - 2009A Bond						
Amort Debt Disc & Exp - 2009E Bond	6,493.08	6,493.08	6,493.08			6,493.00
Amort Debt Disc & Exp - 2013C Bond	3,456.12	3,456.12		10,654.92	10,654.92	
Amort of Bond Issue Costs - 2021C GO Revenue			4,940.38			4,940.38
Depreciation Expense - WWTP	1,596,768.60	1,588,891.95	1,617,392.07		1,620,000.00	1,620,000.00
Amortization Expense, Intangibles						
Technology IS & IT Transfer-in						14,568.00
Contributions Refunded						
Gain of Asset Disposal						
Loss on Asset Disposal (Secondary)	1,671.75	1,253.80	30,062.50			
Loss on Disposition of Property						

GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Treatment  
 For the Twelve Months Ending Sunday, December 31, 2023

Item 13.

	2020 Actual	2021 Actual	2022 Actual	2023 YTD Sept	2023 Forecast	2024 Budget
Other Deduct - Loss on Investment						
<b>Total Other Expenses</b>	<b>2,098,086.90</b>	<b>2,047,407.19</b>	<b>2,049,050.47</b>	<b>191,988.74</b>	<b>1,811,988.74</b>	<b>1,988,524.38</b>
<b>Wastewater Treatment Net Income</b>	<b>26,584.03</b>	<b>(930,092.18)</b>	<b>(602,861.00)</b>	<b>1,052,336.57</b>	<b>(1,464,840.37)</b>	<b>(1,620,000.00)</b>



*Capital Plan*

2024 thru 2028

**DEPARTMENT SUMMARY**

<b>Department</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
1-Electric	2,212,246	2,650,774	1,385,467	894,212	410,000	7,552,699
2-Water	5,772,000	6,459,000	1,040,000	2,330,000	1,202,500	16,803,500
3-Wastewater Collection	1,087,000	1,860,000	2,031,435	545,000	850,000	6,373,435
4a-WWT Domestic	673,500	15,000	15,000			703,500
4b-WWT Screenhouse	76,000	28,000	13,000	13,000		130,000
4c-WWT Primary Plant	194,000	28,000	28,000	28,000		278,000
4d-WWT Sludge Disposal	2,153,000	68,000	68,000	18,000		2,307,000
4e-WWT Service Center	120,500	54,000				174,500
4f-WWT Secondary Treatment	140,000	285,000	175,000	175,000	2,283,000	3,058,000
5-Technology	295,000	36,000				331,000
6-Service Center	1,164,650					1,164,650
<b>TOTAL</b>	<b>13,887,896</b>	<b>11,483,774</b>	<b>4,755,902</b>	<b>4,003,212</b>	<b>4,745,500</b>	<b>38,876,284</b>

Department	Project #	Priority	2024	2025	2026	2027	2028	Item 13.
Overhead power line replacements and repairs	ELEC2704	1				67,531		67,531
Underground power line replacements and repairs	ELEC2705	1				33,765		33,765
Distribution System Transformers	ELEC2706	1				150,000		150,000
Purchase of electric AMI meters	ELEC2707	1				28,138		28,138
Inspect and replace power poles	ELEC2711	1				56,275		56,275
Convert 7200 volt systems to 23 Kv	ELEC2712	1				100,000		100,000
Overhead to Underground Conversions	ELEC2713	1				400,000		400,000
Extend Feeder 320 from 7th Street to 17th Street	ELEC2810	3					410,000	410,000
<b>1-Electric Total</b>			<b>2,212,246</b>	<b>2,650,774</b>	<b>1,385,467</b>	<b>894,212</b>	<b>410,000</b>	<b>7,552,699</b>

**2-Water**

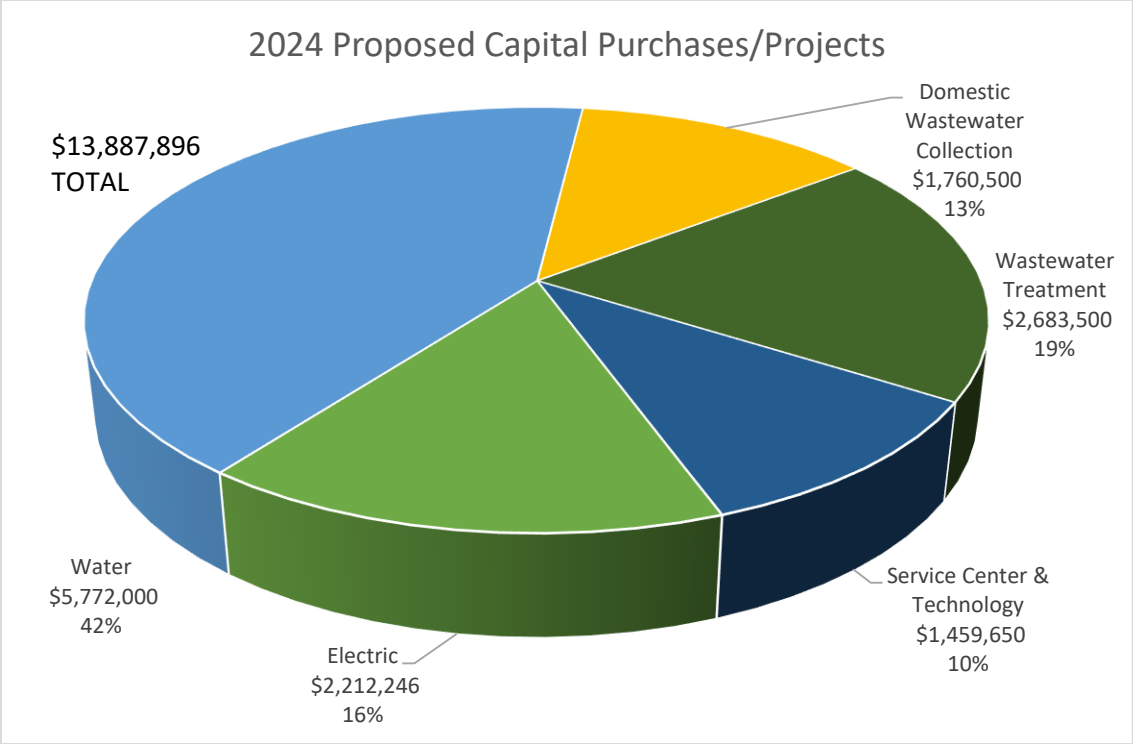
City Project - 3rd Ave NE (5th-8th) & 7th S. NE	WATR2002	3	790,000					790,000
High Service Pump Control Improvement	WATR2005	2	40,000	60,000				100,000
City Project - Ha-Car Neighborhood SE, Phase 1	WATR2101	3					362,500	362,500
Hydrant Meters	WATR2203	3	9,000	9,000				18,000
WTP Flow Meters	WATR2204	2	6,000					6,000
WTP Sewage Ejector System	WATR2206	3	5,000					5,000
WTP Aerator Media	WATR2208	3	15,000					15,000
Fire Hydrant Repairs	WATR2209	2	35,000	20,000	20,000	20,000	20,000	115,000
WTP Communication with Wells	WATR2211	3	15,000					15,000
Water Plant Renovation	WATR2213	2	3,500,000	3,500,000				7,000,000
Booster Station Panel View	WATR2302	2	30,000					30,000
WTP Valve Updates	WATR2304	2	20,000	20,000	20,000	20,000	20,000	100,000
Curb Stop Replacements	WATR2305	2	150,000	150,000	150,000	150,000	150,000	750,000
City Project - City Wide Overlays- Sylvan	WATR2306	2		1,750,000				1,750,000
WTP Backwash Valve	WATR2307	2	10,000					10,000
Radio Communication Upgrades	WATR2308	2	30,000					30,000
Replace Fiber (SH to City Hall)	WATR2309	2	17,000					17,000
South Tower Coating Repairs	WATR2310	1	150,000	80,000				230,000
WWC Category 1- Piping Replacement	WATR2312	2	350,000	350,000	400,000	400,000	400,000	1,900,000
City Project - Paradise Park	WATR2313	2	85,000					85,000
NEW WELL	WATR2401	3				590,000		590,000
Well 4 Rehabilitation	WATR2402	1	55,000					55,000
S-E-H Projects from Study	WATR2403	2	400,000	350,000	250,000	300,000	250,000	1,550,000
AMI Water Nodes	WATR2404	2	20,000	20,000	20,000	20,000		80,000
Water Meters	WATR2405	2	25,000	25,000	30,000	30,000		110,000
WTP RPZ Replacement	WATR2406	2	15,000					15,000
North Tower Coating Repairs	WATR2501	1			150,000			150,000
Well 3 Rehabilitation	WATR2502	1		50,000				50,000
Generators for Well 4 & 6	WATR2503	2		75,000				75,000
Tower Painting	WATR2703	2				800,000		800,000
<b>2-Water Total</b>			<b>5,772,000</b>	<b>6,459,000</b>	<b>1,040,000</b>	<b>2,330,000</b>	<b>1,202,500</b>	<b>16,803,500</b>

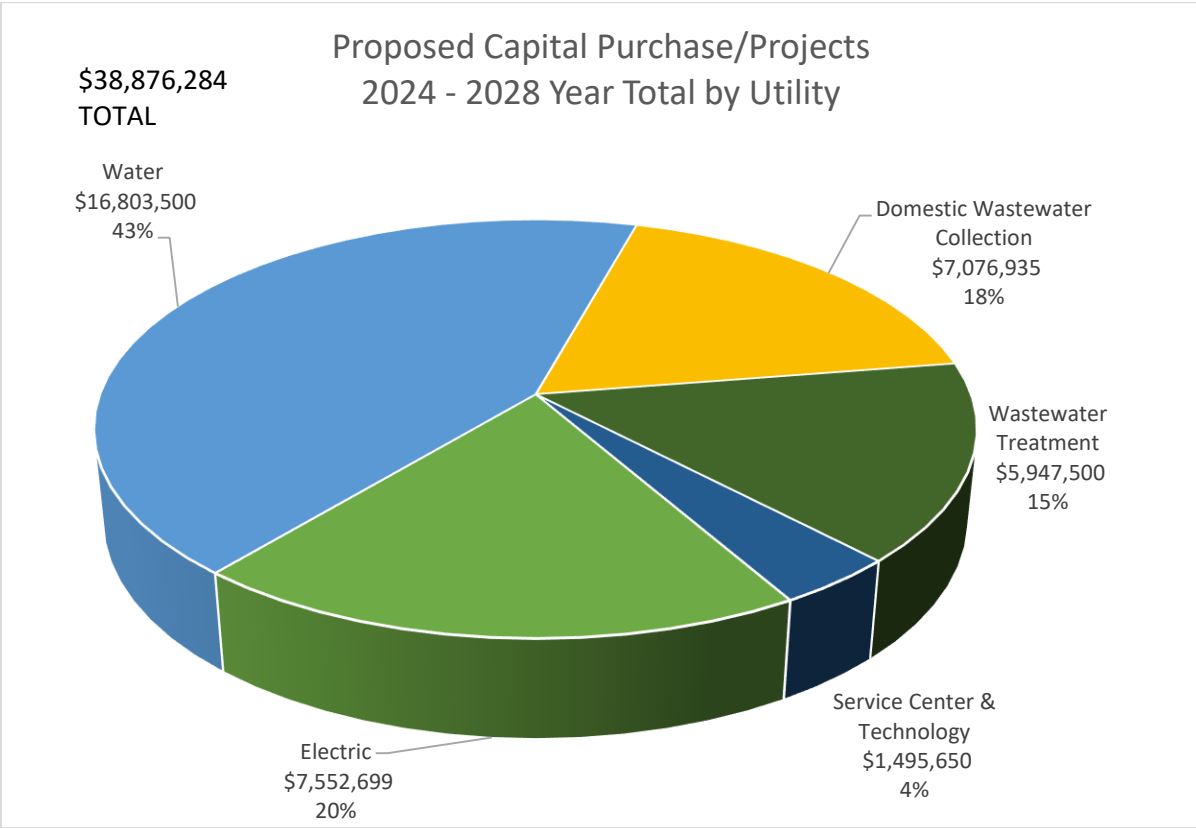
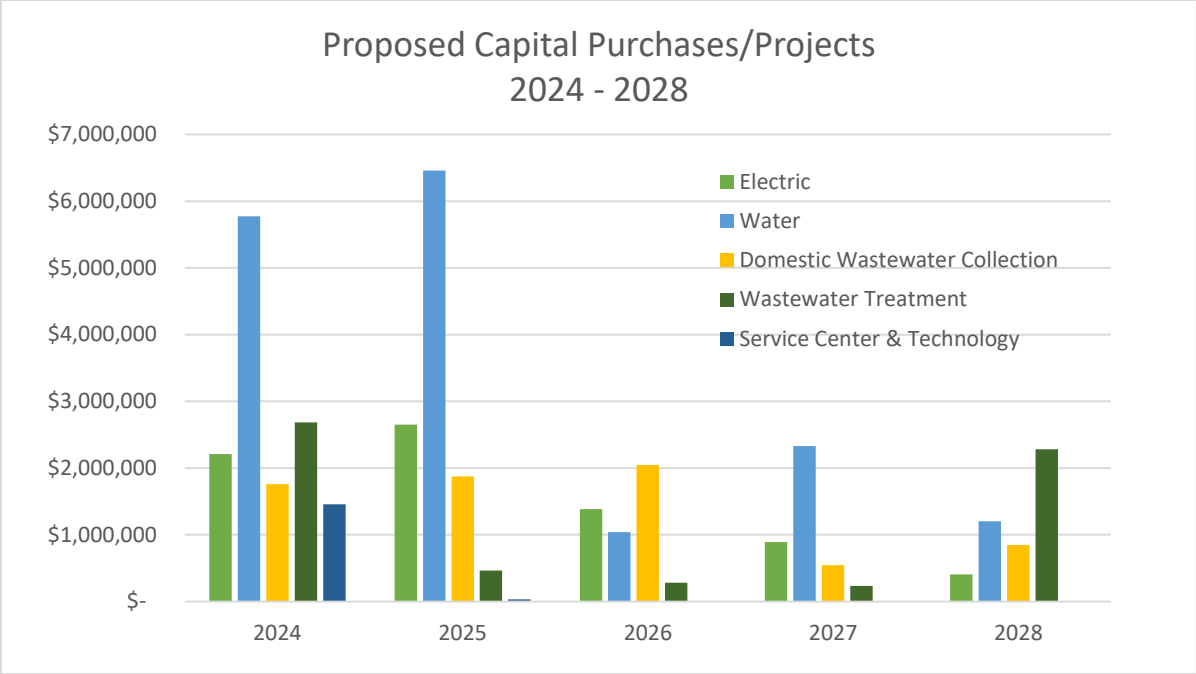
**3-Wastewater Collection**

Mains and Services	WWCO1804	4	20,000	20,000	20,000	20,000	20,000	100,000
Manhole Replacements	WWCO1805	2	75,000	75,000	25,000	25,000	25,000	225,000
City Project - 5th Ave NE (Hwy2 to 5th St. NE)	WWCO2001	2			66,435			66,435
City Project - 3rd Av.NE (4-8th) 7th st (3rd -5th)	WWCO2002	2	270,000					270,000
City Project - 11th Ave NE (5-7th St NE)	WWCO2003	2			115,000			115,000
Lift Station Pumps	WWCO2005	1	35,000	38,000	40,000	40,000	40,000	193,000
City Project - Ha-Car SE Neighborhood, Phase 1	WWCO2021	2					300,000	300,000
City Wide Overlays-Rural	WWCO2202	2		60,000				60,000
Lift Station 2 - Generator and switch	WWCO2207	3	12,000					12,000
Lift Station 3 - Generator and switch	WWCO2208	3	12,000					12,000
Lift Station 6 I/I Repairs	WWCO2307	1	10,000					10,000

Department	Project #	Priority	2024	2025	2026	2027	2028	Item 13.
WWC Category 1- Piping Repairs	WWCO2308	2	350,000	350,000	400,000	400,000	400,000	1,900,000
Cohasset Flow Meter	WWCO2309	2	30,000					30,000
City Project - City Wide Overlays- Sylvan	WWCO2310	2		1,317,000				1,317,000
SE 11th St Sanitary Sewer Replacement	WWCO2402	2			1,300,000			1,300,000
Lift Station 3 Controls Update	WWCO2403	1	25,000					25,000
Lift Station 13 Controls Update	WWCO2404	1	25,000					25,000
Lift 1 Pump Lifting Structure	WWCO2405	2	25,000					25,000
Delta V Secondary for #1 Lift Station	WWCO2406	2	18,000					18,000
Ainsworth Lift Station Alarm Agents	WWCO2407	1	20,000					20,000
Lift Station 5 Forcemain Replacement	WWCO2602	2			65,000			65,000
Replace Truck 61	WWCO2701	3				60,000		60,000
Lift Station 4 Forcemain Replacement	WWCO2703	2					65,000	65,000
Lift Station 2 Forcemain Replacement	WWCO2704	2	160,000					160,000
<b>3-Wastewater Collection Total</b>			<b>1,087,000</b>	<b>1,860,000</b>	<b>2,031,435</b>	<b>545,000</b>	<b>850,000</b>	<b>6,373,435</b>
<b>4a-WWT Domestic</b>								
Trash Compactor	WWDO2302	2	90,000					90,000
VFD Upgrades On Lift Pumps	WWDO2401	2	15,000	15,000	15,000			45,000
Domestic Screen Building Doors	WWDO2402	2	15,000					15,000
Septic Hauler Dump Station	WWDO2403	3	553,500					553,500
<b>4a-WWT Domestic Total</b>			<b>673,500</b>	<b>15,000</b>	<b>15,000</b>			<b>703,500</b>
<b>4b-WWT Screenhouse</b>								
VFD Upgrades for Lift Pumps	WWSH2301	2	13,000	13,000	13,000	13,000		52,000
Replace Fiber Segment 1	WWSH2302	2		15,000				15,000
Drive Gear Boxes for Parkson Screens	WWSH2401	2	18,000					18,000
Bark Dumper Overhaul	WWSH2402	2	10,000					10,000
Screen House Doors	WWSH2403	2	35,000					35,000
<b>4b-WWT Screenhouse Total</b>			<b>76,000</b>	<b>28,000</b>	<b>13,000</b>	<b>13,000</b>		<b>130,000</b>
<b>4c-WWT Primary Plant</b>								
Sludge Screw Conveyor - Screw Replacement	WWPP2103	2	50,000					50,000
Primary Plant Sludge Pumps	WWPP2303	2	28,000	28,000	28,000	28,000		112,000
WAS Blower	WWPP2401	2	16,000					16,000
Sludge Conveyor Hanger Bearings	WWPP2402	2	20,000					20,000
Sludge Blend Tank Improvements	WWPP2403	2	80,000					80,000
<b>4c-WWT Primary Plant Total</b>			<b>194,000</b>	<b>28,000</b>	<b>28,000</b>	<b>28,000</b>		<b>278,000</b>
<b>4d-WWT Sludge Disposal</b>								
Landfill Cover Work Phase 1-4, Kettle D	WWSD2301	2	2,085,000					2,085,000
Landfill Phase Pumps	WWSD2302	2	18,000	18,000	18,000	18,000		72,000
Landfill Haul Road Repairs	WWSD2401	2	50,000	50,000	50,000			150,000
<b>4d-WWT Sludge Disposal Total</b>			<b>2,153,000</b>	<b>68,000</b>	<b>68,000</b>	<b>18,000</b>		<b>2,307,000</b>
<b>4e-WWT Service Center</b>								
Replace Fiber ASV to CSC	WWSC2301	2		54,000				54,000
Shop Fume Hood	WWSC2402	2	5,500					5,500
Delta V Upgrades	WWSC2403	2	115,000					115,000
<b>4e-WWT Service Center Total</b>			<b>120,500</b>	<b>54,000</b>				<b>174,500</b>
<b>4f-WWT Secondary Treatment</b>								

Department	Project #	Priority	2024	2025	2026	2027	2028	Item 13.
Secondary Air Header Piping	WWSP1701	2					875,000	875,000
Rebuild Blower Number 3	WWSP1702	2	80,000					80,000
B1 Pond Dredging	WWSP1802	2		150,000				150,000
Secondary Aeration Basin Mixer Repairs	WWSP1804	2	60,000	135,000	175,000	175,000		545,000
Blower Building and Med Voltage Gear	WWSP2202	2					1,408,000	1,408,000
<b>4f-WWT Secondary Treatment Total</b>			<b>140,000</b>	<b>285,000</b>	<b>175,000</b>	<b>175,000</b>	<b>2,283,000</b>	<b>3,058,000</b>
<b>5-Technology</b>								
NEW ERP SOFTWARE - UB AR AP PROJ PYRL FS BUDG	CITE2310	1	155,000					155,000
Personal Computer Replacements	CITE2402	3	22,000					22,000
Server Upgrades	CITE2404	3	108,000					108,000
Software Upgrades	CITE2408	2	10,000					10,000
Personal Computers	CITE2503	4		6,000				6,000
Network Switch Upgrades	CITE2506	3		12,000				12,000
Computer Backup Hardware	CITE2507	1		8,000				8,000
Software Upgrades	CITE2508	2		10,000				10,000
<b>5-Technology Total</b>			<b>295,000</b>	<b>36,000</b>				<b>331,000</b>
<b>6-Service Center</b>								
South Gate Replacement	CSCW2022	2	40,000					40,000
Building Telephone & Security Upgrade	CSCW2102	2	63,000					63,000
North Roof Replacement	CSCW2201	2	80,000					80,000
Service Center Backup Generator	CSCW2207	1	388,650					388,650
South Roof Replacement	CSCW2301	2	450,000					450,000
Building Improvement	CSCW2400	2	20,000					20,000
Ceiling Tile Replacement	CSCW2401	3	35,000					35,000
HVAC Units	CSCW2402	2	18,000					18,000
CSC Air compressor	CSCW2403	2	30,000					30,000
CSC Truck Bay Doors	CSCW2404	2	40,000					40,000
<b>6-Service Center Total</b>			<b>1,164,650</b>					<b>1,164,650</b>
<b>GRAND TOTAL</b>			<b>13,887,896</b>	<b>11,483,774</b>	<b>4,755,902</b>	<b>4,003,212</b>	<b>4,745,500</b>	<b>38,876,284</b>







*Capital Plan*

2024 thru 2028

**FUNDING SOURCE SUMMARY**

<b>Source</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Customer Contributions-Cohasset	3,209	6,071	4,011	4,011	13,370	30,672
Customer Contributions-LaPrairie	1,899	678	2,373	2,373	7,910	15,233
Customer Contributions-UPM	2,661,820	397,360	230,060	180,060	1,685,600	5,154,900
Debt	2,260,000	8,617,000	2,915,000	1,100,000	1,115,000	16,007,000
Grants	3,362,935	75,000				3,437,935
Operations	185,000					185,000
Reserves-Unrestricted	235,601	68,215	62,556	47,556		413,928
Rplcmt Fund-Elec share/business	795,912	17,100				813,012
Rplcmt Fund-Electric Infrastructure	1,952,996	1,650,774	885,467	894,212	410,000	5,793,449
Rplcmt Fund-Water Infrastructure	1,405,500	434,000	390,000	1,630,000	552,500	4,412,000
Rplcmt Fund-Water share/business	246,733	6,600		30,000		283,333
Rplcmt Fund-WWC Infrastructure	656,831	206,176	266,435	85,000	961,120	2,175,562
Rplcmt Fund-WWC share/business	119,460	4,800		30,000		154,260
<b>GRAND TOTAL</b>	<b>13,887,896</b>	<b>11,483,774</b>	<b>4,755,902</b>	<b>4,003,212</b>	<b>4,745,500</b>	<b>38,876,284</b>

Capital Plan

2024 thru 2028

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	2024	2025	2026	2027	2028	Total
<b>Customer Contributions-Cohasset</b>								
Secondary Air Header Piping	WWSP1701	2					13,370	13,370
Rebuild Blower Number 3	WWSP1702	2	1,834					1,834
B1 Pond Dredging	WWSP1802	2		1,146				1,146
Secondary Aeration Basin Mixer Repairs	WWSP1804	2	1,375	4,925	4,011	4,011		14,322
<b>Customer Contributions-Cohasset Total</b>			<b>3,209</b>	<b>6,071</b>	<b>4,011</b>	<b>4,011</b>	<b>13,370</b>	<b>30,672</b>
<b>Customer Contributions-LaPrairie</b>								
Secondary Air Header Piping	WWSP1701	2					7,910	7,910
Rebuild Blower Number 3	WWSP1702	2	1,085					1,085
B1 Pond Dredging	WWSP1802	2		678				678
Secondary Aeration Basin Mixer Repairs	WWSP1804	2	814		2,373	2,373		5,560
<b>Customer Contributions-LaPrairie Total</b>			<b>1,899</b>	<b>678</b>	<b>2,373</b>	<b>2,373</b>	<b>7,910</b>	<b>15,233</b>
<b>Customer Contributions-UPM</b>								
Personal Computer Replacements	CITE2402	3	7,260					7,260
Server Upgrades	CITE2404	3	27,000					27,000
Software Upgrades	CITE2408	2	2,500					2,500
Network Switch Upgrades	CITE2506	3		3,000				3,000
Computer Backup Hardware	CITE2507	1		2,000				2,000
Software Upgrades	CITE2508	2		2,500				2,500
Sludge Screw Conveyor - Screw Replacement	WWPP2103	2	50,000					50,000
Primary Plant Sludge Pumps	WWPP2303	2	28,000	28,000	28,000	28,000		112,000
WAS Blower	WWPP2401	2	16,000					16,000
Sludge Conveyor Hanger Bearings	WWPP2402	2	20,000					20,000
Sludge Blend Tank Improvements	WWPP2403	2	80,000					80,000
Replace Fiber ASV to CSC	WWSC2301	2		37,800				37,800
Shop Fume Hood	WWSC2402	2	5,500					5,500
Delta V Upgrades	WWSC2403	2	100,000					100,000
Landfill Cover Work Phase 1-4, Kettle D	WWSD2301	2	2,085,000					2,085,000
Landfill Phase Pumps	WWSD2302	2	16,560	16,560	16,560	16,560		66,240
Landfill Haul Road Repairs	WWSD2401	2	50,000	50,000	50,000			150,000
VFD Upgrades for Lift Pumps	WWSH2301	2	13,000	13,000	13,000	13,000		52,000
Replace Fiber Segment 1	WWSH2302	2		15,000				15,000
Drive Gear Boxes for Parkson Screens	WWSH2401	2	18,000					18,000
Bark Dumper Overhaul	WWSH2402	2	10,000					10,000
Screen House Doors	WWSH2403	2	35,000					35,000
Secondary Air Header Piping	WWSP1701	2					700,000	700,000
Rebuild Blower Number 3	WWSP1702	2	56,000					56,000
B1 Pond Dredging	WWSP1802	2		135,000				135,000
Secondary Aeration Basin Mixer Repairs	WWSP1804	2	42,000	94,500	122,500	122,500		381,500
Blower Building and Med Voltage Gear	WWSP2202	2					985,600	985,600



Source	Project #	Priority	2024	2025	2026	2027	2028	
<b>Customer Contributions-UPM Total</b>			<b>2,661,820</b>	<b>397,360</b>	<b>230,060</b>	<b>180,060</b>	<b>1,685,600</b>	<b>5,154,900</b>
<b>Debt</b>								
TIOGA SUBSTATION EXPANSION	ELEC2515	2		1,000,000	500,000			1,500,000
Water Plant Renovation	WATR2213	2	1,000,000	3,500,000				4,500,000
City Project - City Wide Overlays- Sylvan	WATR2306	2		1,750,000				1,750,000
WWC Category 1- Piping Replacement	WATR2312	2	350,000	350,000	400,000	400,000	400,000	1,900,000
S-E-H Projects from Study	WATR2403	2	400,000	350,000	250,000	300,000	250,000	1,550,000
WWC Category 1- Piping Repairs	WWCO2308	2	350,000	350,000	400,000	400,000	400,000	1,900,000
City Project - City Wide Overlays- Sylvan	WWCO2310	2		1,317,000				1,317,000
SE 11th St Sanitary Sewer Replacement	WWCO2402	2			1,300,000			1,300,000
Lift Station 5 Forcemain Replacement	WWCO2602	2			65,000			65,000
Lift Station 4 Forcemain Replacement	WWCO2703	2					65,000	65,000
Lift Station 2 Forcemain Replacement	WWCO2704	2	160,000					160,000
<b>Debt Total</b>			<b>2,260,000</b>	<b>8,617,000</b>	<b>2,915,000</b>	<b>1,100,000</b>	<b>1,115,000</b>	<b>16,007,000</b>
<b>Grants</b>								
Service Center Backup Generator	CSCW2207	1	349,785					349,785
WTP Communication with Wells	WATR2211	3	15,000					15,000
Water Plant Renovation	WATR2213	2	2,500,000					2,500,000
Generators for Well 4 & 6	WATR2503	2		75,000				75,000
Septic Hauler Dump Station	WWDO2403	3	498,150					498,150
<b>Grants Total</b>			<b>3,362,935</b>	<b>75,000</b>				<b>3,437,935</b>
<b>Operations</b>								
NEW ERP SOFTWARE - UB AR AP PROJ PYRL FS BUDG	CITE2310	1	155,000					155,000
CSC Air compressor	CSCW2403	2	30,000					30,000
<b>Operations Total</b>			<b>185,000</b>					<b>185,000</b>
<b>Reserves-Unrestricted</b>								
HVAC Units	CSCW2402	2	18,000					18,000
CSC Truck Bay Doors	CSCW2404	2	40,000					40,000
Trash Compactor	WWDO2302	2	90,000					90,000
VFD Upgrades On Lift Pumps	WWDO2401	2	15,000	15,000	15,000			45,000
Septic Hauler Dump Station	WWDO2403	3	55,350					55,350
Replace Fiber ASV to CSC	WWSC2301	2		16,200				16,200
Landfill Phase Pumps	WWSD2302	2	1,440	1,440	1,440	1,440		5,760
Secondary Aeration Basin Mixer Repairs	WWSP1804	2	15,811	35,575	46,116	46,116		143,618
<b>Reserves-Unrestricted Total</b>			<b>235,601</b>	<b>68,215</b>	<b>62,556</b>	<b>47,556</b>		<b>413,928</b>
<b>Rplcmt Fund-Elec share/business</b>								
Personal Computer Replacements	CITE2402	3	9,240					9,240
Server Upgrades	CITE2404	3	50,760					50,760
Software Upgrades	CITE2408	2	4,700					4,700
Personal Computers	CITE2503	4		3,000				3,000
Network Switch Upgrades	CITE2506	3		5,640				5,640
Computer Backup Hardware	CITE2507	1		3,760				3,760

Source	Project #	Priority	2024	2025	2026	2027	2028	Item 13.
Software Upgrades	CITE2508	2		4,700				4,700
South Gate Replacement	CSCW2022	2	26,000					26,000
Building Telephone & Security Upgrade	CSCW2102	2	40,450					40,450
North Roof Replacement	CSCW2201	2	52,000					52,000
Service Center Backup Generator	CSCW2207	1	25,262					25,262
South Roof Replacement	CSCW2301	2	292,500					292,500
Building Improvement	CSCW2400	2	13,000					13,000
Building Storage	ELEC2416	2	100,000					100,000
Woodchipper	ELEC2417	2	30,000					30,000
Dually Snow Plow	ELEC2418	1	12,000					12,000
South Sub	ELEC2421	2	60,000					60,000
TIOGA SUBSTATION EXPANSION	ELEC2515	2	80,000					80,000
<b>Rplcmt Fund-Elec share/business Total</b>			<b>795,912</b>	<b>17,100</b>				<b>813,012</b>

### Rplcmt Fund-Electric Infrastructure

Ceiling Tile Replacement	CSCW2401	3	22,750					22,750
Replace Truck 60 Bucket Truck	ELEC2213	1	238,000					238,000
Replace Main Substation Building Roof	ELEC2219	2	25,000					25,000
4/0 Cable Replacement to Ace Hardware	ELEC2222	1	23,000					23,000
Maple Street Conversion	ELEC2316	1	100,000					100,000
SW 1st Ave Conversion	ELEC2317	1	100,000					100,000
Distribution System Services	ELEC2401	1	40,000					40,000
Distribution System Security Lighting	ELEC2403	1	14,296					14,296
Overhead power line replacements and repairs	ELEC2404	1	61,800					61,800
Underground power line replacements and repairs	ELEC2405	1	30,900					30,900
Distribution System Transformers	ELEC2406	1	750,000					750,000
Purchase of electric AMI meters	ELEC2407	1	25,750					25,750
Inspect and replace power poles	ELEC2411	1	71,500					71,500
Replace Truck 63 Bucket Truck	ELEC2413	2		350,000				350,000
Electric System Reliability Upgrades	ELEC2414	2	100,000					100,000
Crystal Springs Conversion	ELEC2415	1		409,000				409,000
7-17th Primary Underground	ELEC2419	2	310,000					310,000
La Prairie Sub Battery	ELEC2423	1	40,000					40,000
Distribution System Services	ELEC2501	1		40,000				40,000
Distribution System Security Lighting	ELEC2503	1		14,725				14,725
Overhead power line replacements and repairs	ELEC2504	1		63,654				63,654
Underground power line replacements and repairs	ELEC2505	1		31,827				31,827
Distribution System Transformers	ELEC2506	1		150,000				150,000
Purchase of electric AMI meters	ELEC2507	1		26,523				26,523
Convert SW Grand Rapids to Underground	ELEC2510	1		200,000				200,000
Inspect and replace power poles	ELEC2511	1		53,045				53,045
Convert 7200 volt systems to 23 Kv	ELEC2512	1		100,000				100,000
Overhead to Underground Conversions	ELEC2513	1		200,000				200,000
Spool Trailer	ELEC2514	2		12,000				12,000
Distribution System Services	ELEC2601	1			40,000			40,000
Distribution System Security Lighting	ELEC2603	1			15,167			15,167
Overhead power line replacements and repairs	ELEC2604	1			65,564			65,564
Underground power line replacements and repairs	ELEC2605	1			32,781			32,781
Distribution System Transformers	ELEC2606	1			150,000			150,000
Purchase of electric AMI meters	ELEC2607	1			27,318			27,318
Convert SW Grand Rapids to Underground	ELEC2610	1			200,000			200,000
Inspect and replace power poles	ELEC2611	1			54,637			54,637
Convert 7200 volt systems to 23 Kv	ELEC2612	1			100,000			100,000
Overhead to Underground Conversions	ELEC2613	1			200,000			200,000

Source	Project #	Priority	2024	2025	2026	2027	2028	Item 13.
Distribution System Services	ELEC2701	1				40,000		40,000
Distribution System Dual Fuel Services	ELEC2702	1				2,881		2,881
Distribution System Security Lighting	ELEC2703	1				15,622		15,622
Overhead power line replacements and repairs	ELEC2704	1				67,531		67,531
Underground power line replacements and repairs	ELEC2705	1				33,765		33,765
Distribution System Transformers	ELEC2706	1				150,000		150,000
Purchase of electric AMI meters	ELEC2707	1				28,138		28,138
Inspect and replace power poles	ELEC2711	1				56,275		56,275
Convert 7200 volt systems to 23 Kv	ELEC2712	1				100,000		100,000
Overhead to Underground Conversions	ELEC2713	1				400,000		400,000
Extend Feeder 320 from 7th Street to 17th Street	ELEC2810	3					410,000	410,000
<b>Rplcmt Fund-Electric Infrastructure Total</b>			<b>1,952,996</b>	<b>1,650,774</b>	<b>885,467</b>	<b>894,212</b>	<b>410,000</b>	<b>5,793,449</b>

**Rplcmt Fund-Water Infrastructure**

Ceiling Tile Replacement	CSCW2401	3	7,000					7,000
City Project - 3rd Ave NE (5th-8th) & 7th S. NE	WATR2002	3	790,000					790,000
High Service Pump Control Improvement	WATR2005	2	40,000	60,000				100,000
City Project - Ha-Car Neighborhood SE, Phase 1	WATR2101	3					362,500	362,500
Hydrant Meters	WATR2203	3	9,000	9,000				18,000
WTP Flow Meters	WATR2204	2	6,000					6,000
WTP Sewage Ejector System	WATR2206	3	5,000					5,000
Fire Hydrant Repairs	WATR2209	2	35,000	20,000	20,000	20,000	20,000	115,000
Booster Station Panel View	WATR2302	2	30,000					30,000
WTP Valve Updates	WATR2304	2	20,000	20,000	20,000	20,000	20,000	100,000
Curb Stop Replacements	WATR2305	2	150,000	150,000	150,000	150,000	150,000	750,000
WTP Backwash Valve	WATR2307	2	10,000					10,000
Radio Communication Upgrades	WATR2308	2	30,000					30,000
Replace Fiber (SH to City Hall)	WATR2309	2	8,500					8,500
South Tower Coating Repairs	WATR2310	1	150,000	80,000				230,000
NEW WELL	WATR2401	3				590,000		590,000
Well 4 Rehabilitation	WATR2402	1	55,000					55,000
AMI Water Nodes	WATR2404	2	20,000	20,000	20,000	20,000		80,000
Water Meters	WATR2405	2	25,000	25,000	30,000	30,000		110,000
WTP RPZ Replacement	WATR2406	2	15,000					15,000
North Tower Coating Repairs	WATR2501	1			150,000			150,000
Well 3 Rehabilitation	WATR2502	1		50,000				50,000
Tower Painting	WATR2703	2				800,000		800,000
<b>Rplcmt Fund-Water Infrastructure Total</b>			<b>1,405,500</b>	<b>434,000</b>	<b>390,000</b>	<b>1,630,000</b>	<b>552,500</b>	<b>4,412,000</b>

**Rplcmt Fund-Water share/business**

Personal Computer Replacements	CITE2402	3	3,300					3,300
Server Upgrades	CITE2404	3	18,360					18,360
Software Upgrades	CITE2408	2	1,700					1,700
Personal Computers	CITE2503	4		1,500				1,500
Network Switch Upgrades	CITE2506	3		2,040				2,040
Computer Backup Hardware	CITE2507	1		1,360				1,360
Software Upgrades	CITE2508	2		1,700				1,700
South Gate Replacement	CSCW2022	2	8,000					8,000
Building Telephone & Security Upgrade	CSCW2102	2	12,600					12,600
North Roof Replacement	CSCW2201	2	16,000					16,000
Service Center Backup Generator	CSCW2207	1	7,773					7,773
South Roof Replacement	CSCW2301	2	90,000					90,000



Source	Project #	Priority	2024	2025	2026	2027	2028	Item 13.
Building Improvement	CSCW2400	2	4,000					4,000
City Project - Paradise Park	WATR2313	2	85,000					85,000
Replace Truck 61	WWCO2701	3				30,000		30,000
<b>Rplcmt Fund-Water share/business Total</b>			<b>246,733</b>	<b>6,600</b>		<b>30,000</b>		<b>283,333</b>

### Rplcmt Fund-WWC Infrastructure

Ceiling Tile Replacement	CSCW2401	3	5,250					5,250
WTP Aerator Media	WATR2208	3	15,000					15,000
Replace Fiber (SH to City Hall)	WATR2309	2	8,500					8,500
Mains and Services	WWCO1804	4	20,000	20,000	20,000	20,000	20,000	100,000
Manhole Replacements	WWCO1805	2	75,000	75,000	25,000	25,000	25,000	225,000
City Project - 5th Ave NE (Hwy2 to 5th St. NE)	WWCO2001	2			66,435			66,435
City Project - 3rd Av.NE (4-8th) 7th st (3rd -5th)	WWCO2002	2	270,000					270,000
City Project - 11th Ave NE (5-7th St NE)	WWCO2003	2			115,000			115,000
Lift Station Pumps	WWCO2005	1	35,000	38,000	40,000	40,000	40,000	193,000
City Project - Ha-Car SE Neighborhood, Phase 1	WWCO2021	2					300,000	300,000
City Wide Overlays-Rural	WWCO2202	2		60,000				60,000
Lift Station 2 - Generator and switch	WWCO2207	3	12,000					12,000
Lift Station 3 - Generator and switch	WWCO2208	3	12,000					12,000
Lift Station 6 I/I Repairs	WWCO2307	1	10,000					10,000
Cohasset Flow Meter	WWCO2309	2	30,000					30,000
Lift Station 3 Controls Update	WWCO2403	1	25,000					25,000
Lift Station 13 Controls Update	WWCO2404	1	25,000					25,000
Lift 1 Pump Lifting Structure	WWCO2405	2	25,000					25,000
Delta V Secondary for #1 Lift Station	WWCO2406	2	18,000					18,000
Ainsworth Lift Station Alarm Agents	WWCO2407	1	20,000					20,000
Domestic Screen Building Doors	WWDO2402	2	15,000					15,000
Delta V Upgrades	WWSC2403	2	15,000					15,000
Secondary Air Header Piping	WWSP1701	2					153,720	153,720
Rebuild Blower Number 3	WWSP1702	2	21,081					21,081
B1 Pond Dredging	WWSP1802	2		13,176				13,176
Blower Building and Med Voltage Gear	WWSP2202	2					422,400	422,400
<b>Rplcmt Fund-WWC Infrastructure Total</b>			<b>656,831</b>	<b>206,176</b>	<b>266,435</b>	<b>85,000</b>	<b>961,120</b>	<b>2,175,562</b>

### Rplcmt Fund-WWC share/business

Personal Computer Replacements	CITE2402	3	2,200					2,200
Server Upgrades	CITE2404	3	11,880					11,880
Software Upgrades	CITE2408	2	1,100					1,100
Personal Computers	CITE2503	4		1,500				1,500
Network Switch Upgrades	CITE2506	3		1,320				1,320
Computer Backup Hardware	CITE2507	1		880				880
Software Upgrades	CITE2508	2		1,100				1,100
South Gate Replacement	CSCW2022	2	6,000					6,000
Building Telephone & Security Upgrade	CSCW2102	2	9,950					9,950
North Roof Replacement	CSCW2201	2	12,000					12,000
Service Center Backup Generator	CSCW2207	1	5,830					5,830
South Roof Replacement	CSCW2301	2	67,500					67,500
Building Improvement	CSCW2400	2	3,000					3,000
Replace Truck 61	WWCO2701	3				30,000		30,000
<b>Rplcmt Fund-WWC share/business Total</b>			<b>119,460</b>	<b>4,800</b>		<b>30,000</b>		<b>154,260</b>

Source	Project #	Priority	2024	2025	2026	2027	2028	Item 13.
<b>GRAND TOTAL</b>			13,887,896	11,483,774	4,755,902	4,003,212	4,745,500	38,876,284



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** December 13, 2023

**AGENDA ITEM:** Consider a motion to ratify the 2024 electric, water, and wastewater collection rates per the 2022 adopted cost of service rate studies.

**PREPARED BY:** Jean Lane, Business Services Manager

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## **BACKGROUND:**

Attached please find the 2024 electric, water, and wastewater collection rates as listed in the 2022 adopted cost of service rate studies.

The 2024 rates and customer impact were presented and reviewed at the November 22 GRPU Commission work session.

## **RECOMMENDATION:**

Approve a motion to ratify the 2024 electric, water, and wastewater collection rates per the 2022 adopted cost of service rate studies.



## 2024 Electric Service Rate Schedule

	Monthly Service Charge	Energy Charge	
City Residential	\$10.40	First 500 kWh/mo. \$0.0900/kWh Over 500 kWh/mo. \$0.1159/kWh	
City Commercial	\$19.55	\$0.1072/kWh	
City Demand & Energy	\$28.00	\$0.0520/kWh Demand: \$17.64/kW	
City Entertainment Lighting Rate, Seasonal Evening	\$12.75	\$0.1032/kWh	
City Street Lighting	\$12.50	\$0.0143/kWh	
City Industrial	*In Development*		
City Annexation Residential	\$10.40	First 500 kWh/mo. \$0.1055/kWh Over 500 kWh/mo. \$0.1314/kWh	
City Annexation Commercial	\$19.55	\$0.1227/kWh	
Rural Residential	\$11.40	First 500 kWh/mo. \$0.0936/kWh Over 500 kWh/mo. \$0.1195/kWh	
Rural Commercial	\$20.55	\$0.1111/kWh	
Rural Demand & Energy	\$28.00	\$0.0557/kWh Demand: \$17.64/kW	
Electric Vehicle - On Peak Energy Existing Customer 8:00 am to 10:00 pm Monday - Friday	\$4.15	\$0.1612/kWh	
Electric Vehicle - Off Peak Energy Existing Customer		\$0.0550/kWh	
Electric Vehicle - On Peak Energy Standalone Customer 8:00 am to 10:00 pm Monday - Friday	\$26.25	\$0.1612/kWh	
Electric Vehicle - Off Peak Energy Standalone Customer		\$0.0550/kWh	
Load Management Controlled Water Heating	\$5.00 credit		
Load Management Controlled Water Heating Seasonal	\$2.50 credit		
Load Management Heating/Cooling Continuous Control Dual Fuel - On or Off Cooling	\$8.40	\$0.075/kWh	
Load Management Storage Heat	\$8.40	\$0.0715/kWh	
Load Management Cooling Cycle Control & GS Heat Pumps - Metered	June - Sept	Monthly service charge with \$9.83 credit	Normal electric rate
	Oct - May	\$8.40	\$0.075/kWh
Load Management Cooling Cycle Control Unit Controlled - Not Metered	0-3 ton AC Unit	Monthly service charge with \$9.83 credit June -Sept	Normal electric rate
	4-6 ton AC Unit	Monthly service charge with \$19.73 credit June - Sept	Normal electric rate

Security Lights - All new and replacement fixtures will be LED	Monthly Service Charge
Security Light - High Pressure Sodium 100 Watt - Existing Pole	\$9.22
Security Light - High Pressure Sodium 100 Watt - Separate Pole	\$11.94
Security Light - High Pressure Sodium 250 Watt - Existing Pole	\$13.21
Security Light - High Pressure Sodium 250 Watt - Separate Pole	\$15.93
Security Light - LED 40 Watt - Existing Pole	\$4.88
Security Light - LED 40 Watt - Separate Pole	\$9.23
Security Light - LED 70 Watt - Existing Pole	\$5.70
Security Light - LED70 Watt - Separate Pole	\$10.06

Increased Transformation Charge	Monthly Service Charge
In addition to regular monthly service charge	\$2.87/kVa

## MINIMUM BILL: CUSTOMER CHARGE PER CONNECTION

### PURCHASED POWER ADJUSTMENT (PPA) CLAUSE

There shall be added to from the monthly electric service billing, a Purchased Power Adjustment or PPA calculated on a per kilowatt-hour basis. The PPA is a combination of two charges. The first are costs associated with operation of the Midwest Independent Transmission System Operator (MISO). MISO's objective is to maximize the efficient use of the transmission system and energy under fluctuating power demands. The second component is fuel and purchased energy, which is based on the fluctuating cost of fuel used in generating stations and power purchased from other energy providers when needed. PPA does not apply to Security Lighting and Non-Metered Load Management Services.

Revised: Adopted 12/13/2023, Effective 01/01/2024 | Last Revised: Adopted 12/14/2022, Effective 01/01/2023





## 2024 Water Service Rate Schedule

Water Meter Size	Monthly Service Charge
5/8" - 3/4"	\$10.97
1"	\$15.28
1 1/2"	\$19.67
2"	\$31.77
3"	\$120.33
4"	\$153.08
6"	\$229.70
Multi-Family Rate	\$4.39 x # of units + \$.71

Commodity Charge Per 1,000 Gallons	
<b>Residential</b>	
First 4,000 Gallons	\$4.80
Next 4,000 Gallons	\$6.05
Next 22,000 Gallons	\$7.58
All Gallons Over 30,000	\$12.11
<b>Commercial</b>	
First 40,000 Gallons	\$4.46
Next 360,000 Gallons	\$5.52
All Gallons Over 400,000	\$7.05
<b>Industrial</b>	
First 400,000 Gallons	\$4.07
All Gallons Over 400,000	\$5.02
<b>Multi-Family</b>	
First 4,000 Gallons times # of residential units	\$4.37
Next 4,000 Gallons times # of residential units	\$5.51
Next 22,000 Gallons times # of residential units	\$6.90
All Gallons Over 30,000 times # of residential units	\$11.03
<b>Irrigation</b>	
All Gallons	\$6.22



## 2024 Wastewater Service Rate Schedule

Water Meter Size	Monthly Service Charge
5/8" - 3/4"	\$12.00
1"	\$15.00
1 1/2"	\$20.00
2"	\$25.00
3"	\$30.00
4"	\$45.00
6"	\$60.00

Commodity Charge Per 1,000 Gallons	
Units based on the water usage through the domestic water meter	
City Residential	\$4.94
City Commercial/Industrial	\$5.17
Rural Residential	\$5.17
Rural Commercial/Industrial	\$5.63

Revised: Adopted 12/13/2022, Effective 01/01/2024 | Last Revised: Adopted 12/14/2022, Effective 01/01/2023



## 2024 Ancillary Services and Fees

Electric	
Electric shut off and restoration	
At the meter	\$100.00
At the transformer	\$200.00
Electric shut off - permanent - meter removed	\$60.00
Electric shut off and restoration - Seasonal	
Seasonal disconnects - meter removed	\$60.00
Seasonal reconnect - meter reinstalled	\$60.00
Seasonal disconnects - meter remains (monthly service charge continues)	No Charge
Seasonal reconnect - meter remains	No Charge
Emergencies	No Charge
Electric Repairs with required 24 hour notice (during regular working hours)	No Charge
Electric Temporary Use Meter	\$485.00 Minimum
Electric Customer Service Allowance New or current customers requesting underground services or requesting to change from overhead to new underground services Customer pays for all expenses greater than credit amount	\$1000 Credit
Electric Service Extensions	Electric Operating Policy

Water	
Water shut off and restoration - Non-payment (shut off at standpipe)	\$100.00
Water shut off and restoration	
Disconnect & remove meter (waived for emergencies)	\$200.00
Seasonal disconnects > 1 per year	\$100.00
Seasonal reconnects > 1 per year	\$100.00
Seasonal (one disconnect & reconnect per year, monthly service charge continues)	No Charge
Emergencies	No Charge
Plumbing repairs with required 24 hour notice during regular working hours	No Charge
Water Hydrant Use Agreement (plus current water use rate, agreement required) For non-fire related waster use from fire hydrant	\$150.00
Water Temporary Use (plus current water use rate) For a limited amount of time for new construction Garden hose hookup 1" meter only - six months	\$150.00
Water Line Thawing and frozen meter	
Curb stop to house - regular business hours (\$200 first hour plus \$50/hour each hour after first hour)	\$200.00
Main to curb stop	No Charge
Frozen meter replacement (Customer noncompliance with policy) For meters 1" and below. Above 1" meter, contact Lead CSR for fee	\$500.00
Water or Sewer Service Extensions	Water & Sewer Operating Policy

## Wastewater

Liquid hauled waste disposal	
Application and permit fee	\$50.00
Additional cards/replacement cards	\$25.00
Volume charge per 1,000 gallons	\$27.00
Sanitary Sewer - plugged - investigation	No Charge
External Use of jetter by a government entity	\$185.00/hour
Water or Sewer Service Extensions	Water & Sewer Operating Policy

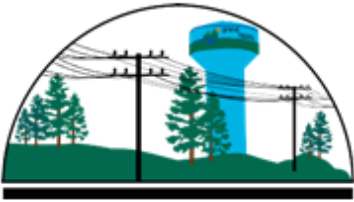
## Administration

The general manager has the authority to approve a fee for an unusual and extraordinary service not listed as a primary or secondary ancillary service of the GRPU. The fee should cover all direct and indirect costs of providing this service. If this unusual and extraordinary service is provided more than once per year to more than five customers or requestees then the fee should be presented and approved by the GRPU Commission.

The general manager has the authority to reduce an approved secondary ancillary fee down to zero one time per customer for an unusual or extraordinary circumstance if the ancillary fee is \$500 or less. If there are more than five customers with same or similar circumstance then the general manager action to reduce an approved secondary ancillary fee will need to be ratified by the GRPU Commission at the next commission meeting.

Non-payment reconnections will only be performed during regular business hours per GRPU Commission.

Revised: Adopted 12/13/2023, Effective 1/1/2024 | Last Revised: Adopted 3/8/2022, Effective 03/09/2022



**GRAND RAPIDS  
PUBLIC UTILITIES**

*Service is Our Nature*

500 SE Fourth Street • Grand Rapids, Minnesota 55744

## **ELECTRIC DEPARTMENT MONTHLY REPORT December 2023 Commission Meeting**

### **Reliability Report Last Month**

SAIDI:	0.40	Avg Minutes / Customers Served	CAIDI:	24.36	Avg Minutes / Customer Out	Total Customers Out:	125
SAIFI:	0.02	Cust Outages / Customers Served	CAIFI:	0.088	Avg Outages / Customer Out	Total Reported Hours:	51
Active:	7638	Active Electric Customers	Outages:	11	Total Number of Outages	Total Customer Hours Out:	67
ASAI:	99.99990	Average Percent System Available					

In November we had 4 outages caused by wildlife. One of those outages affected only one customer. Unfortunately, it happened on a Saturday and there wasn't a person at the location to call in the outage. With our current technology (OMS and smart meters), we were able to see that the meter was out. Early Monday morning a crew investigated the location and found that a squirrel had caused an outage.

We had three short scheduled outages for residential electrician work or safely connecting a new customer.

Two outages are equipment related and two have unknown causes.

### **Electric Load Graph Last Month**

The Monthly Peak was 24,240 kW on Nov 17th.

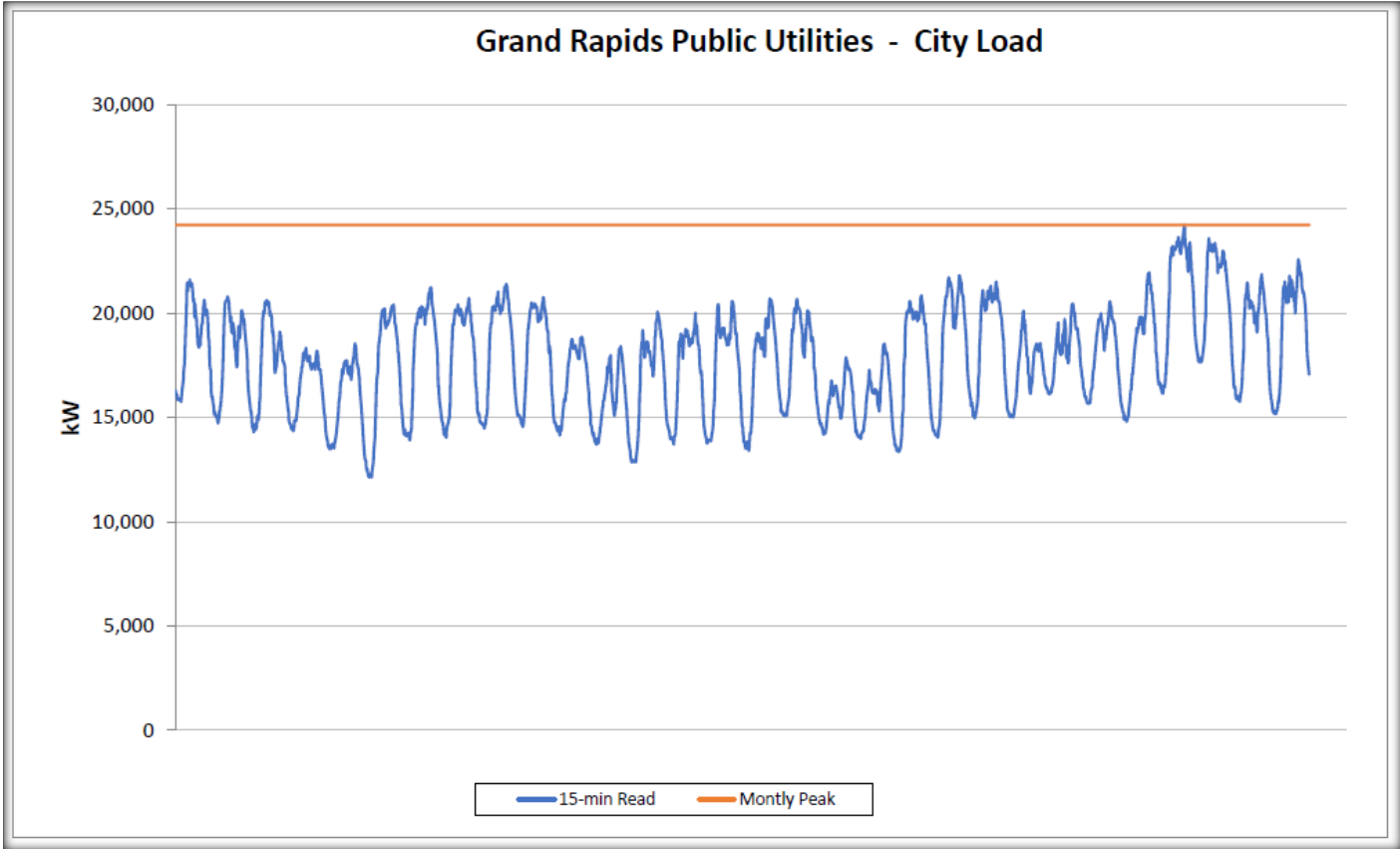
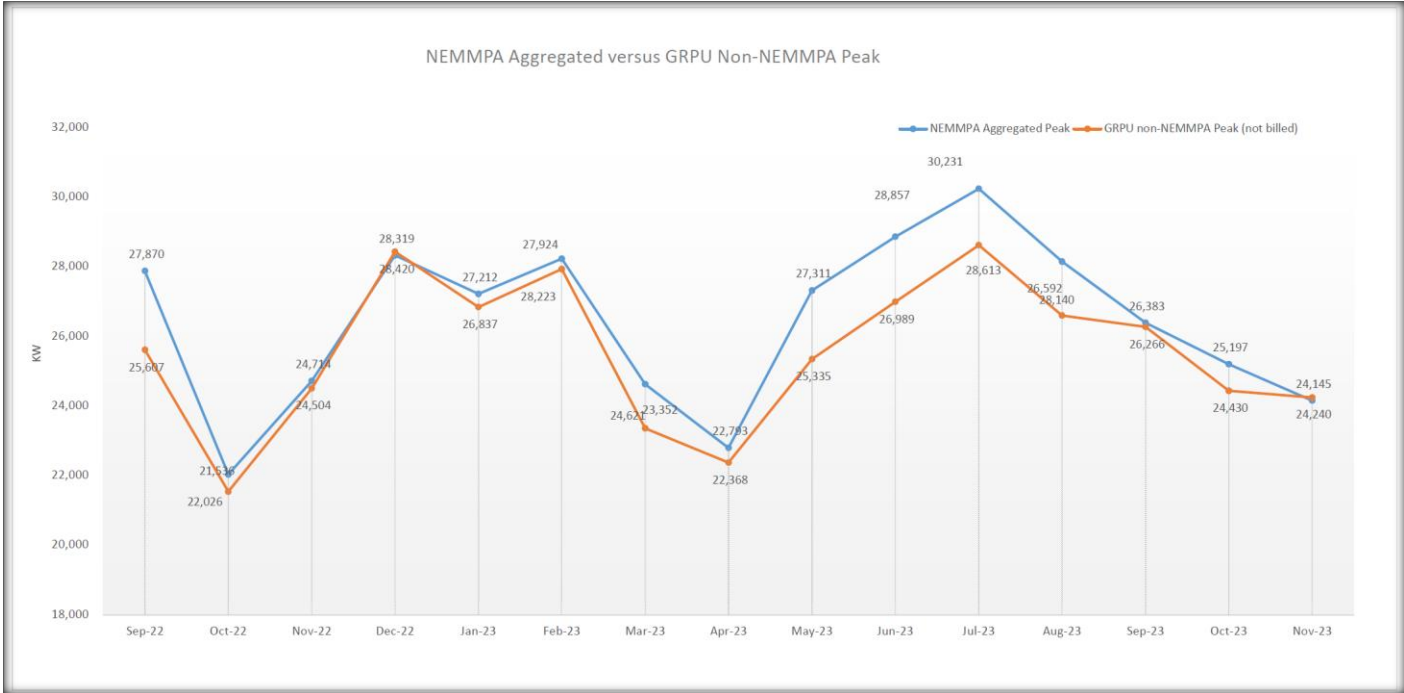


Figure 1: 24,240 kW 11/17 at 5:30 PM

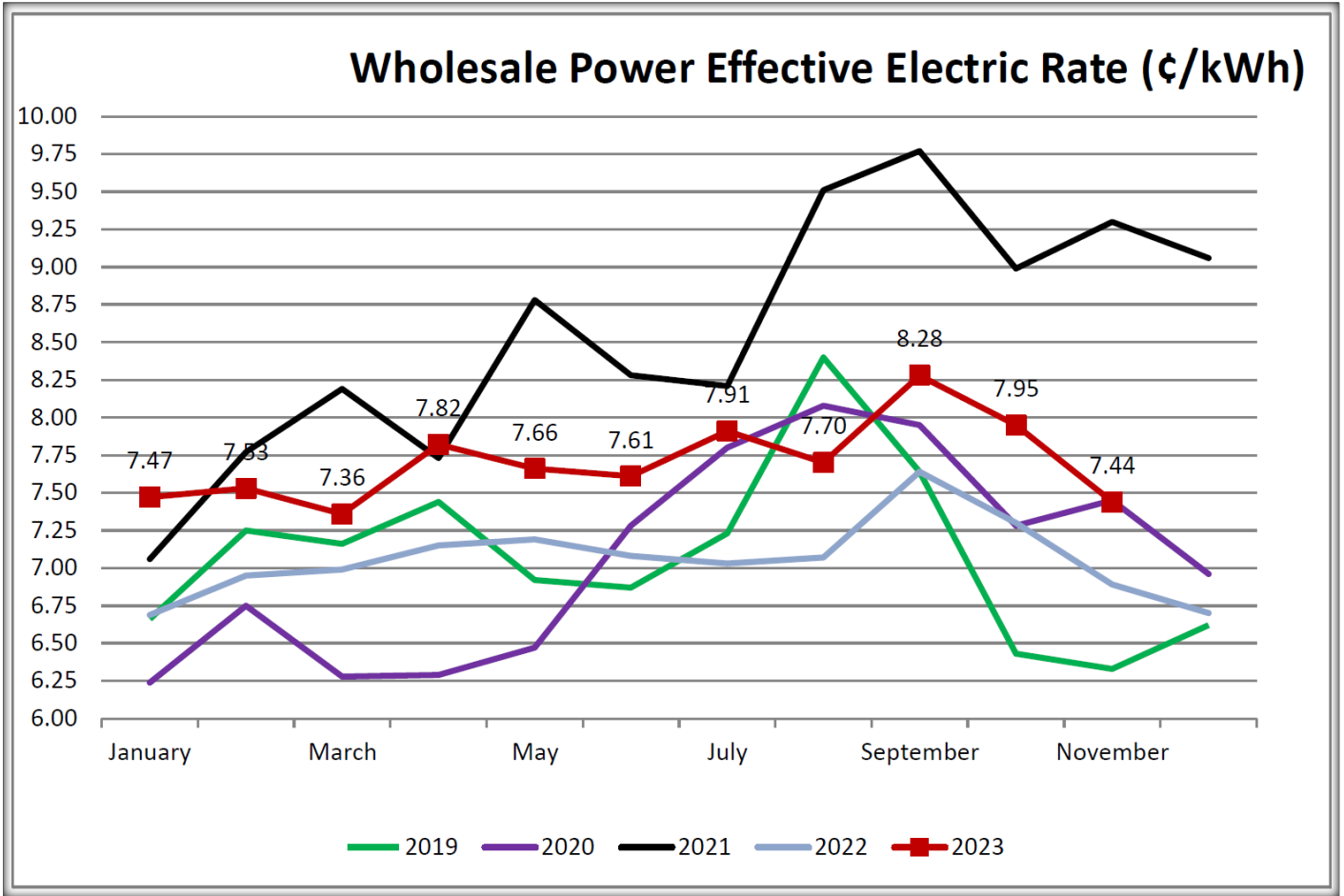
**NEMMPA vs. non-NEMMPA Peak Last Month**

The attached graph shows the aggregated NEMMPA peak versus non-NEMMPA peak.



**Effective Wholesale Electric Power Rate Last Month**

The attached graph shows the effective wholesale electric rate.



## Capital and Operations Project Summary

COMMISSION REPORT CONTENTS									
Agency Lead	Dept	Proj Desc	Proj #	Budget	Amount Spent	Percent Spent (calc'd)	Percent Completed	Status	Noted Issues / Highlights
GRPU	ELEC	Tree Trimming	EOPS	\$150,024	\$143,596	96%	0%	In Progress	closing out 99% of yearly work
GRPU	ELEC	Distribution System Transformers	ELEC2306	\$150,000	\$0	0%	10%	In Progress	Larger order, lead-time reduction
GRPU	ELEC	Crystal Springs Conversion	ELEC2135	\$146,000	\$0	0%	0%	On Hold	trx supply chain issues - pushed to 2024
GRPU	ELEC	Reliability Upgrades	ELEC2314	\$100,000	\$0	0%	0%	In Progress	working through collecting costs
GRPU	ELEC	Backyard Machine	ELEC2318	\$90,000	\$90,000	100%	100%	Completed	
GRPU	ELEC	OH Replacements	ELEC2304	\$60,000	\$10,290	17%	0%	In Progress	
GRPU	ELEC	Power Pole Replacement	ELEC2311	\$50,000	\$0	0%	0%	Not Started	working through collecting costs
GRPU	ELEC	Distribution System Services	ELEC2301	\$40,000	\$0	0%	0%	Not Started	
GRPU	ELEC	SW 1st Avenue Conversion	ELEC2317	\$30,000	\$0	0%	0%	On Hold	trx supply chain issues - pushed to 2024
GRPU	ELEC	UG Replacements	ELEC2305	\$30,000	\$29,526	98%	1%	In Progress	working through collecting costs
GRPU	ELEC	Maple Street Conversion	ELEC2316	\$29,000	\$0	0%	0%	On Hold	trx supply chain issues - pushed to 2024
GRPU	ELEC	AMI Meters	ELEC2307	\$25,000	\$5,422	22%	1%	In Progress	
GRPU	ELEC	Security Lighting	ELEC2303	\$13,996	\$1,118	8%	0%	Not Started	
GRPU	ELEC	Dual Fuel Services	ELEC2302	\$2,560	\$0	0%	0%	Not Started	working through collecting costs
City	ELEC	21st St & Forest Hills Dr	EOPS			#DIV/0!		In Progress	
Developer	ELEC	Ainsworth Site Transformer	EOPS		\$62,283	#DIV/0!	75%	In Progress	changes in works
GRPU	ELEC	CSC Generator	EOPS			#DIV/0!		In Progress	2024 delivery
GRPU	ELEC	East Sub Rewire	EOPS		\$0	#DIV/0!	0%	Not Started	
City	ELEC	Forest Lake School Site Housing	ECON-23-A0010		\$26,642	#DIV/0!		Not Started	
Developer	ELEC	Newman Campground - LaPrairie	ECON-22-c0010		\$48,404	#DIV/0!	100%	Completed	

**Status Definitions**

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GRAND RAPIDS  
PUBLIC UTILITIES

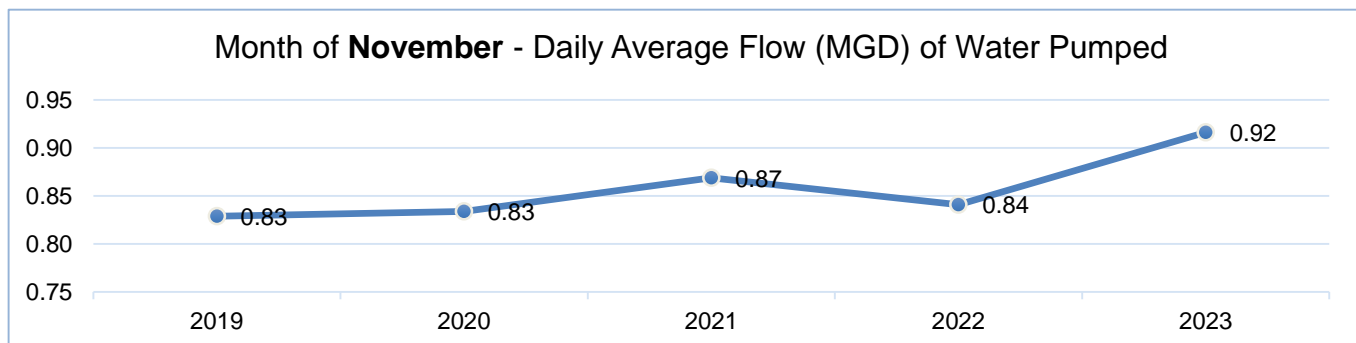
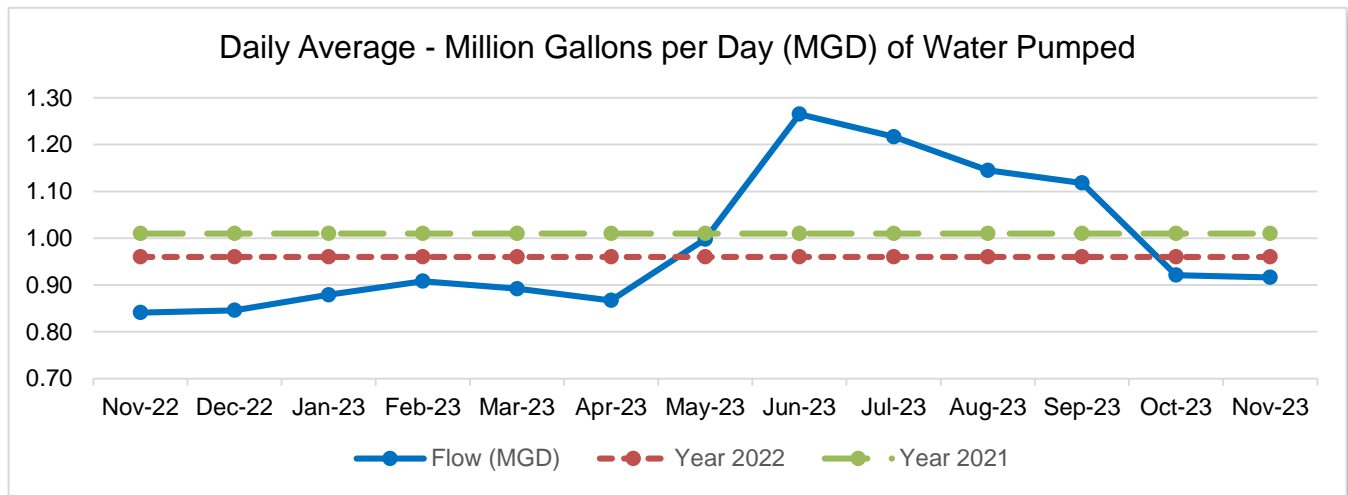
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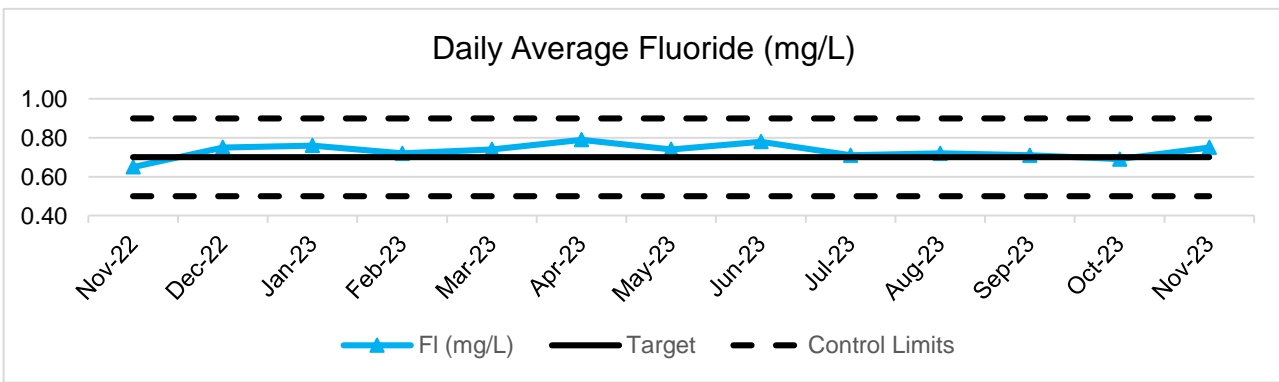
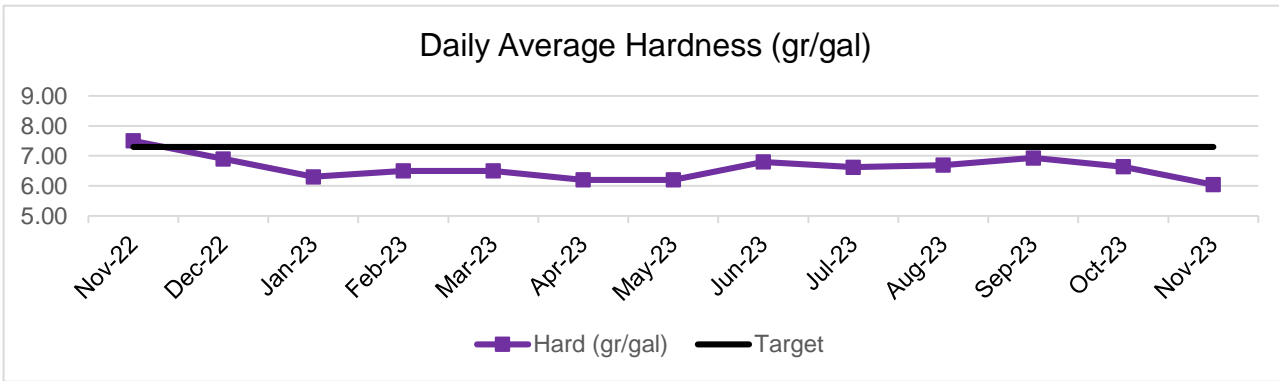
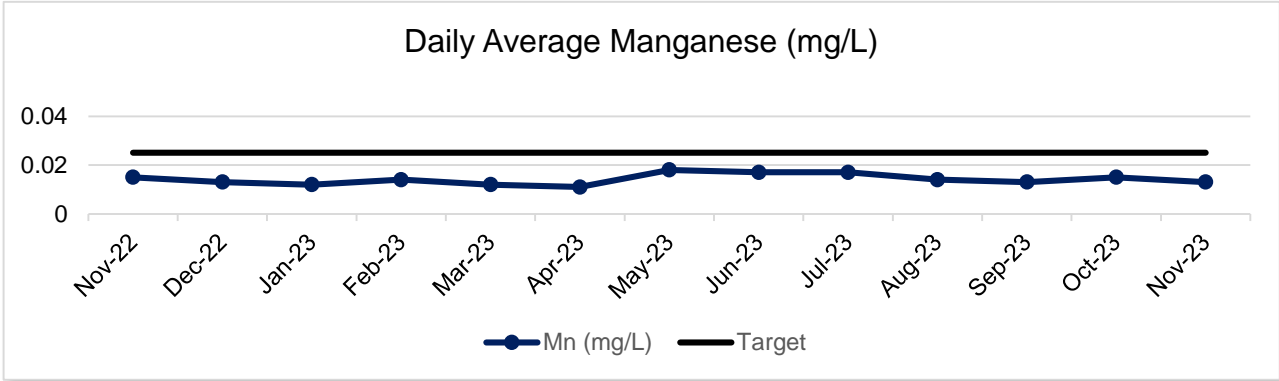
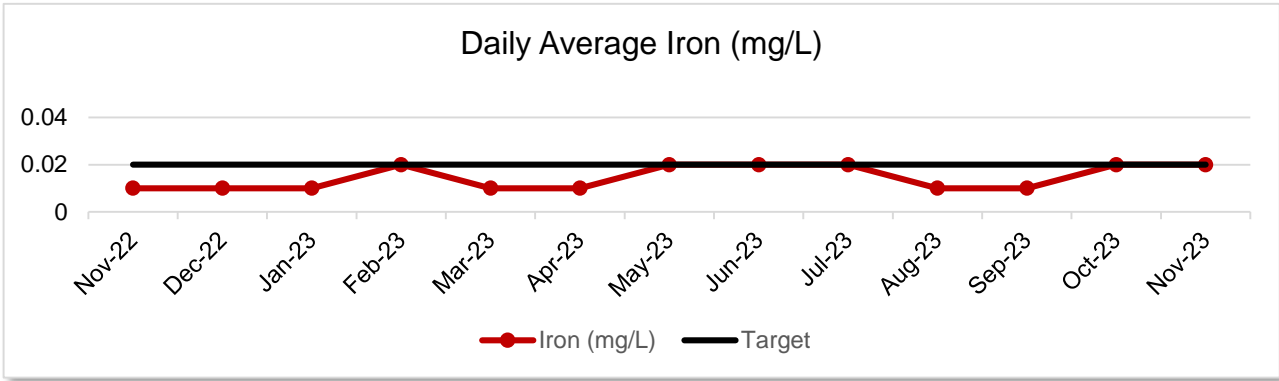
## WATER UTILITY MONTHLY REPORT December 2023 Commission Meeting

### Water Operations

The water plant pumped an average of 0.92 million gallons of water per day (MGD) with a peak of 1.06 million gallons during last month which is nine percent more than typical for this time of the year.



All water quality analysis was normal for the month as seen in the graphs below.



## Capital and Operations Project Summary

### WTP Renovation Project Update:

The purchase of the property immediately to the east of the water plant closed on November 17th. Future plans for the site are still in the development phase. The current zoning is less restrictive than the zoning of the rest of the WTP property. The internal kick-off meeting was held 12/1. The team is busy providing input on the work that will need to be done to renovate the building, process and wells.

COMMISSION REPORT CONTENTS									
Agency					Amount	Percent Spent	Percent		
Lead	Dept	Proj Desc	Proj #	Budget	Spent	(calc'd)	Comple	Status	Noted Issues / Highlights
GRPU	WATER	Water Plant Renovations	WATR2213	\$4,943,400	\$0	0%	1%	In Progress	
City	WATER	Sylvan Overlays	WATR2306	\$1,202,000	\$20,000	2%	100%	Completed	
GRPU	WATER	Category 1 - Piping Repairs	WATR2312	\$350,000	\$0	0%	0%	Not Started	Place holder
GRPU	WATER	South Tower Coating Repairs	WATR2310	\$150,000	\$0	0%	0%	Not Started	Pushed to 2024
GRPU	WATER	Curb Stop Replacements	WATR2305	\$100,000	\$15,000	15%	5%	In Progress	Some completed, always more to do.
City	WATER	Paradise Park	WATR2313	\$85,000	\$0	0%	0%	Not Started	Pushed to 2024 per Casper Const
City	WATER	River Road Roundabout	WATR2311	\$82,455	\$82,455	100%	100%	Completed	
GRPU	WATER	High Service Pump Controls	WATR2005	\$60,000	\$2,000	3%	30%	In Progress	Pushed
GRPU	WATER	Well 2 Rehabilitation	WATR2004	\$55,000	\$20,055	36%	100%	Completed	
GRPU	WATER	WTP Security	WATR2108	\$43,000	\$43,000	100%	100%	Completed	
GRPU	WATER	Mid-Tower Coating Repairs	WATR2107	\$38,000	\$33,500	88%	100%	Completed	
GRPU	WATER	Fire Hydrant Repairs	WATR2209	\$35,000	\$4,843	14%	25%	In Progress	Some completed, always more to do.
GRPU	WATER	Radio Communication Upgrades	WATR2308	\$30,000	\$0	0%	0%	Not Started	Pushed to 2024
GRPU	WATER	Booster Station Panel View	WATR2302	\$30,000	\$0	0%	10%	In Progress	Pushed to 2024
GRPU	WATER	WTP Turbidity Meters	WATR2207	\$30,000	\$26,238	87%	100%	Completed	
GRPU	WATER	WTP Flow Meters	WATR2204	\$30,000	\$22,030	73%	60%	In Progress	Work scheduled early 2024
GRPU	WATER	WTP Main Valve	WATR2212	\$22,500	\$13,403	60%	50%	In Progress	Work scheduled early 2024
GRPU	WATER	WTP Valve Updates	WATR2304	\$20,000	\$6,007	30%	50%	In Progress	Parts onsite.
GRPU	WATER	WTP Sewage Ejector System	WATR2206	\$20,000	\$11,834	59%	50%	In Progress	Parts ordered.
GRPU	WATER	Replace Fiber (SH to City Hall)	WATR2309	\$15,000	\$0	0%	0%	Not Started	Pushed based on security project
GRPU	WATER	WTP Communication with Wells	WATR2211	\$15,000	\$0	0%	0%	Not Started	Pushed to 2024
GRPU	WATER	WTP Aerator Media	WATR2208	\$12,000	\$4,800	40%	75%	In Progress	Media onsite, work scheduled for early 2024.
GRPU	WATER	WTP Sludge Pump	WATR2205	\$11,000	\$9,923	90%	50%	In Progress	Parts onsite, install early 2024.
GRPU	WATER	Hydrant Meters	WATR2203	\$8,700	\$2,800	32%	60%	Completed	
GRPU	WATER	WTP Backwash Valve	WATR2307	\$5,000	\$4,500	90%	50%	In Progress	Parts onsite, install early 2024.

### Status Definitions

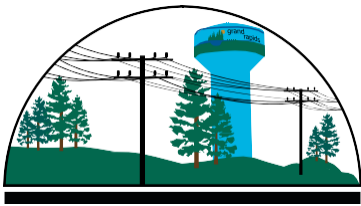
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PUBLIC UTILITIES**

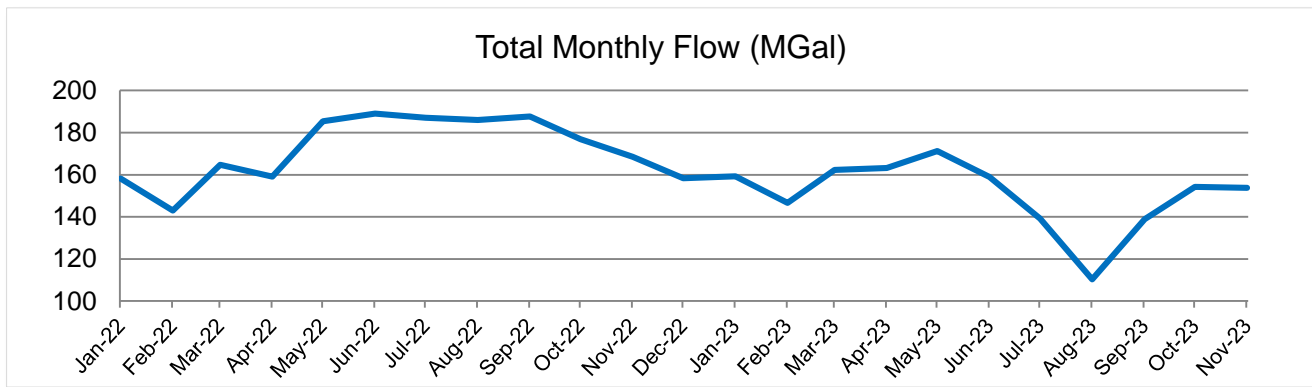
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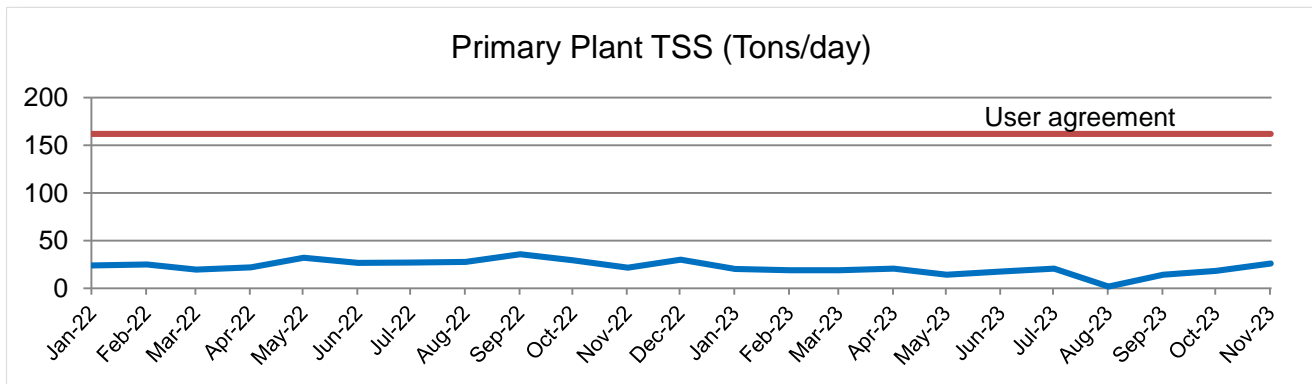
## WASTEWATER UTILITY MONTHLY REPORT December 2023 Commission Meeting

### Wastewater Operations

The Wastewater Treatment Plant (WWTP) met all National Pollutant Discharge Elimination System (NPDES) permit requirements last month. We treated 154 million gallons of water removing 99.8% of the Total Suspended Solids (TSS) and 98.9% Biochemical Oxygen Demand (cBOD).

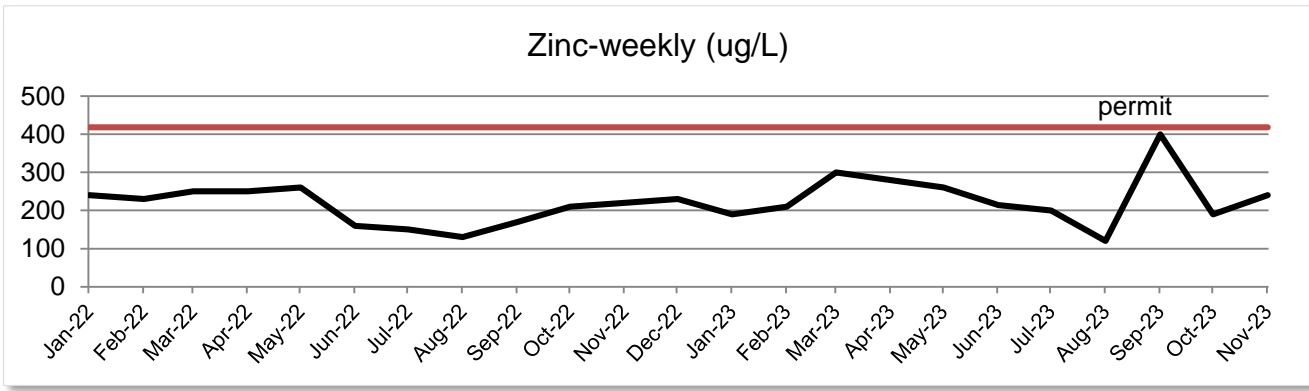
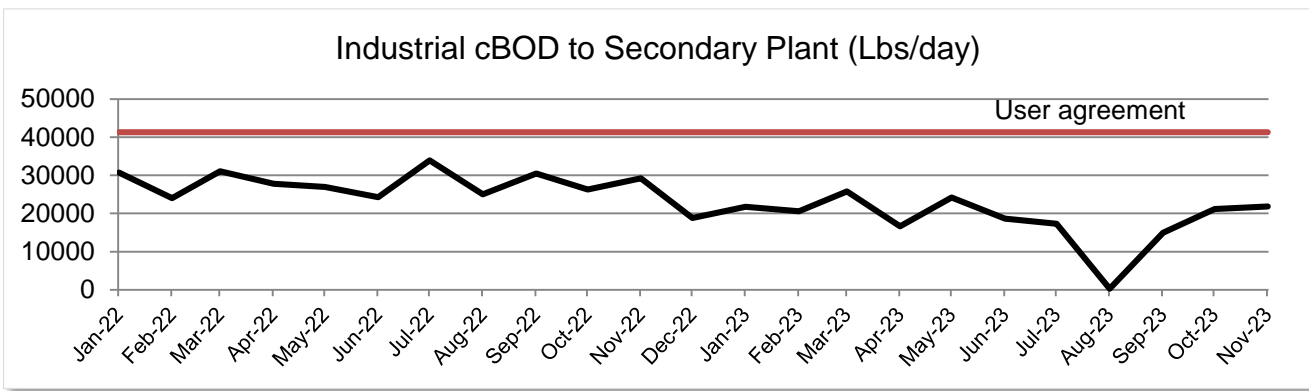


	Design Limits (monthly AVG)	Actual Results
<u>Primary Plant</u>		
Flow (MGD)	13.25	3.9
TSS (Tons/day)	162	26.1
TSS Peak (Tons/Day)	284	57.6

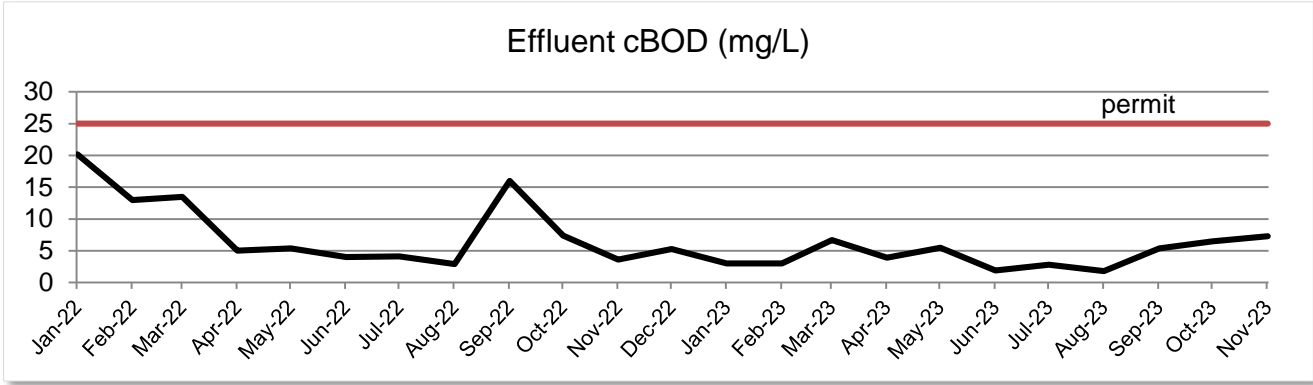
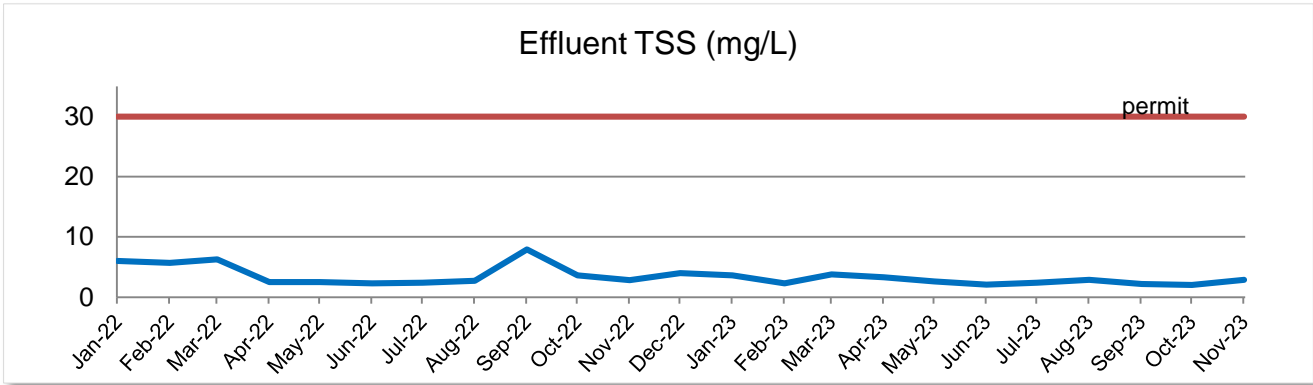


On November 9<sup>th</sup>, we put the second aeration basin (A1) back online to be prepared for increased loading over the next year.

	Design Limits (monthly AVG)	Actual Results
<u>Secondary Plant</u>		
Flow (MGD)	15.25	5.1
cBOD (lbs/Day)	41,300	24,395
Peak cBOD (lbs/Day)	57,350	30,398
Zinc-weekly (ug/L)	418	240
% GRPUC		26.7%

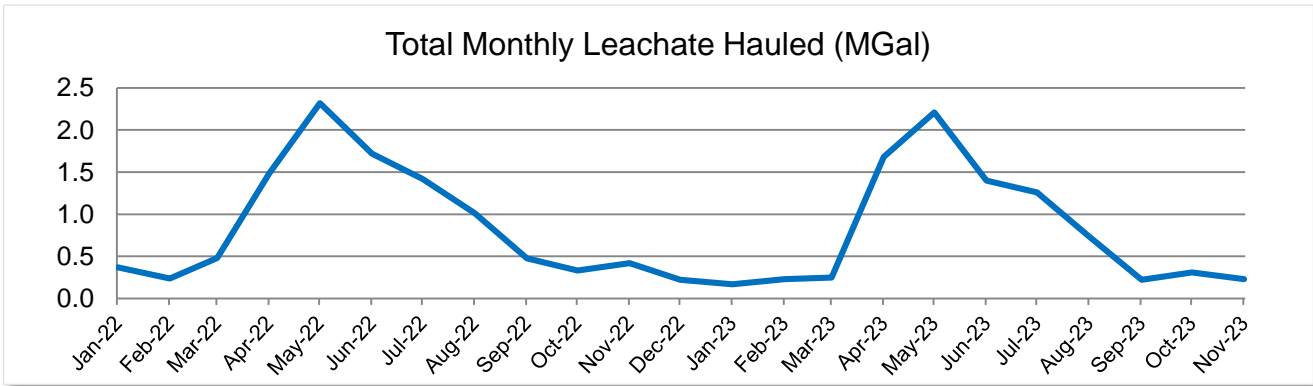


	Permit Limits (monthly AVG)	Actual Results
<u>Effluent</u>		
TSS (mg/L) – monthly average	30	2.9
cBOD (mg/L) – monthly average	25	7.3
Dissolved Oxygen (mg/L)	>1.0	8.2



## Sludge Landfill Operations

- 0.23 million gallons of leachate were hauled last month.
- 2844 cubic yards of sludge solids were hauled to the landfill



# Capital and Operations Project Summary

COMMISSION REPORT CONTENTS										
Agency	Lead	Dept	Proj Desc	Proj #	Budget	Amount Spent	Percent Spent (calc'd)	Percent Completed	Status	Noted Issues / Highlights
City	WWC		Sylvan Overlays	WWCO2310	\$1,010,000	\$0	0%	100%	Completed	
GRPU	WWC		Category 1 - Piping Repairs	WWCO2308	\$350,000	\$0	0%	0%	Not Started	Placeholder
City	WWC		River Road Roundabout	WWCO2312	\$210,959	\$210,959	100%	100%	Completed	
GRPU	WWC		Jetting		\$150,000	\$92,562	62%	95%	Completed	
GRPU	WWC		Jetting Camera	WWCO2303	\$60,000	\$55,000	92%	100%	Completed	
City	WWC		6th Ave NW (4th-5th)	WWCO2302	\$52,000	\$0	0%	0%	Not Started	Pushed until later date.
GRPU	WWC		Lift Station 2 - Generator and Switch	WWCO2207	\$36,490	\$36,490	100%	95%	In Progress	Parts onsite, work scheduled for 2024
GRPU	WWC		Lift Station Pumps	WWCO2005	\$35,000	\$34,460	98%	100%	Completed	
GRPU	WWC		Lift Station 8 Controls Update	WWCO2601	\$35,000	\$20,250	58%	60%	Completed	
GRPU	WWC		Lift Station 6 I/I Repairs	WWCO2307	\$35,000	\$5,520	16%	60%	Completed	Completed for now.
GRPU	WWC		Lift Station 9 Controls Update	WWCO2304	\$35,000	\$19,250	55%	60%	Completed	
GRPU	WWC		Lift Station 3 - Generator and Switch	WWCO2208	\$32,825	\$32,825	100%	95%	In Progress	Parts onsite, work scheduled for 2024
GRPU	WWC		Lift Station 2 Pump	WWCO2305	\$25,000	\$22,800	91%	100%	Completed	
GRPU	WWC		Clinic Lift Alarm Agent	WWCO2103	\$20,000	\$8,085	40%	90%	Completed	
GRPU	WWC		Manhole Replacements	WWCO1805	\$20,000	\$0	0%	0%	Not Started	Placeholder
GRPU	WWC		Mains and Services	WWCO1804	\$15,000	\$0	0%	0%	Not Started	Placeholder
GRPU	WWC		Lift Station 2 Flow Meter	WWCO2309	\$8,000	\$0	0%	0%	Not Started	Pushed to 2024
GRPU	WWT		Septic Hauler Dump Station	WWSP2301	\$350,000	\$0	0%	0%	Not Started	Pushed to 2024
GRPU	WWT		Landfill Cover Work Ph 1-4, Ket D	WWSD2301	\$250,000	\$23,940	10%	95%	In Progress	Engineering completed, permit revision in process.
GRPU	WWT		Secondary Aeration Basin Mixer Repa	WWSP1804	\$175,000	\$37,564	21%	100%	Completed	
GRPU	WWT		Rebuild Domestic Screen	WWDO1801	\$150,000	\$108,625	72%	100%	Completed	
GRPU	WWT		Replace Fiber ASV to CSC	WWSC2301	\$54,000	\$0	0%	0%	Not Started	Pushed based on security project.
GRPU	WWT		Bleach Tank Replacement	WWSP2302	\$50,000	\$49,054	98%	100%	Completed	
GRPU	WWT		Sludge Screw Conveyor - Screw	WWPP2103	\$50,000	\$36,142	72%	75%	In Progress	Parts in, work scheduled this month.
GRPU	WWT		Demo of old Primary Plant	WWPP2001	\$50,000	\$0	0%	0%	Not Started	Pushed until later date.
GRPU	WWT		Trash Compactor	WWDO2302	\$50,000	\$0	0%	20%	In Progress	Pushed until 2024
GRPU	WWT		Painting Primary Clarifiers	WWPP2003	\$40,000	\$30,185	75%	100%	Completed	
GRPU	WWT		Primary Plant Sludge Pumps	WWPP2303	\$28,000	\$19,156	68%	75%	In Progress	Parts in, work scheduled this month.
GRPU	WWT		Primary Sludge Pump VFD	WWPP2301	\$24,000	\$0	0%	0%	Not Started	Pushed until 2024
GRPU	WWT		Landfill Phase Pumps	WWSD2302	\$18,000	\$0	0%	0%	Not Started	Pushed until 2024
GRPU	WWT		Forks for Front End Loader	WWPP2202	\$12,000	\$9,500	79%	100%	Completed	
GRPU	WWT		Replace Fiber Segment 1	WWSH2302	\$12,000	\$0	0%	0%	Not Started	Pushed based on security project.
GRPU	WWT		VFD Upgrades for Lift Pumps	WWSH2301	\$12,000	\$0	0%	15%	In Progress	Pushed until 2024
GRPU	WWT		Leachate Phase Pump	WWSD2101	\$8,000	\$0	0%	0%	Not Started	Pushed until 2024
GRPU	WWT		Screw Press VFD	WWPP2302	\$8,000	\$0	0%	0%	Not Started	Pushed until 2024
GRPU	WWT		Flow Meter for Domestic Flow	WWDO2301	\$7,000	\$0	0%	0%	Not Started	Pushed until 2024
GRPU	WWT		WWTP Alarm Agent	WWPP2304	\$6,500	\$6,000	92%	100%	Completed	

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# Grand Rapids Public Utilities

December 2023 Commission Meeting

Department Head Presentation

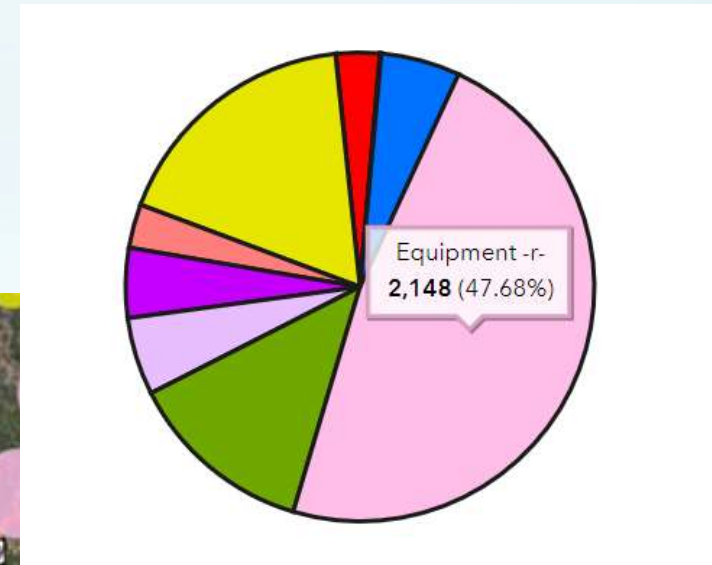
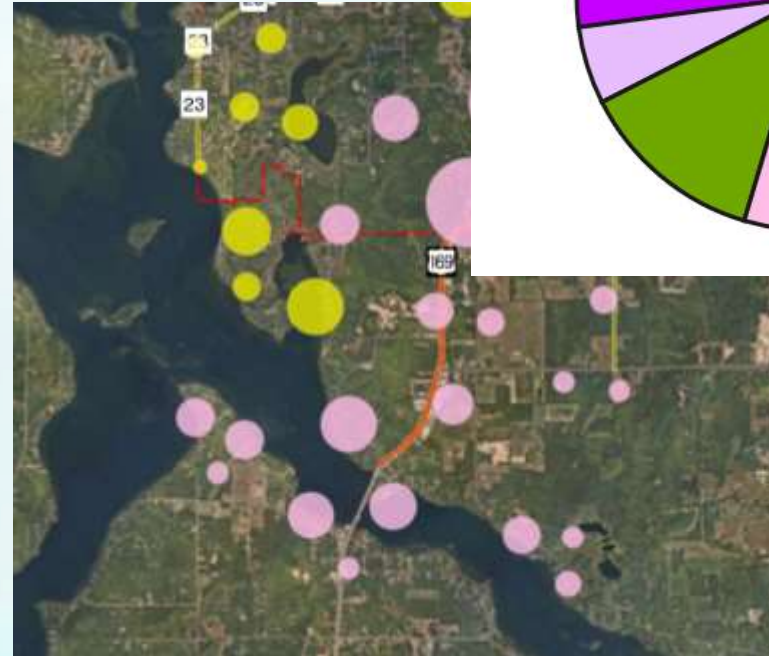
Chad Troumbly – Electric Department Manager





# Top Causes

- Equipment
- Wildlife/Animal
- Trees



# Equipment

- Loose Connection
- Age

# Equipment – Correction and Prevention



## Wildlife/Animals (Mainly Squirrels)

- They can run the line
- Small Hands

## Wildlife/Animals – Correction and Prevention





# Trees

- Grand Rapids Loves Its Trees
- Added Cost of Outages – Fire Dept, Police



## Trees – Correction and Prevention

- May Open Cutout
- Finding the Balance
- Going Underground

# Questions / Comments

December 2023 Commission Meeting

Department Head Presentation

Chad Troumbly – Electric Department Manager

